



Stalking the stalkers

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Grandees issue grave warning on Europe



Coining controversy: John Major, who was warned by top Tories

ANTHONY BEVINS
Political Editor

A phalanx of the most senior figures in the Tory party last night issued an unprecedented challenge to John Major over Europe with a stark warning that he should not tolerate any retreat into xenophobic rejection of greater European co-operation.

In a letter to *The Independent*, the party's old guard, including the former Prime Minister Sir Edward Heath and the former Deputy Prime Minister Lord Whitehead, make it clear that they will give no ground to Lady Thatcher and the party's virulent Euro-phobes.

"Britain's future lies as a committed member of an interdependent Europe, as a country which sees the European Union as an opportunity, not a threat," the letter says.

"The British instinct is to lead, not

walk away. Our greatest patriots have never been little Englanders."

It was made clear last night that the signatories, including three former foreign secretaries - Douglas Hurd, Lord Howe and Lord Carington - along with the European Commissioner Sir Leon Brittan, endorse the Prime Minister's "muscular" approach to Europe.

But with an eye on battles ahead at next month's party conference in Bournemouth, the letter says: "For us now to rule out British membership of a single currency would be to betray our national interest."

"By countenancing withdrawal from the European Union would be to court disaster." Both demands have been made by the Tory right-wing, and there are real fears that Mr Major might seek to win pre-election unity by offering concessions that are utterly unacceptable to Sir

Edward and the other Tory grandees.

Marking the 50th anniversary of Churchill's Zurich speech on the future of European co-operation, the letter concludes: "To commit ourselves, by contrast, to a positive role in the leadership of Europe is the most fitting tribute we can pay to Churchill's Zurich vision."

Speaking in the same Zurich hall yesterday, the Foreign Secretary, Malcolm Rifkind, warned that a single currency would divide Europe.

He also warned against blindly leaping towards ever-greater integration, "failing for footholds that may prove precarious or illusory."

The *Independent* letter was careful not to attack that cautious stance, and it was emphasised that Mr Hurd had issued similar warnings about the single currency when in office.

That critical approach to the single currency was raised last year by



THE NOBLE OF ZURICH

Mr Major in a bilateral meeting with the French President Jacques Chirac. A study of the "Ins and Outs" - the implications of a single currency for those joining up, and those re-

maining outside - was formally commissioned at last December's Madrid summit. It is to be completed in time for the second Dublin summit, in December.

Nevertheless, Mr Rifkind's warning was seen by some yesterday as an attempt to pander to the Tory Euro-sceptics in advance of the party conference.

Certainly, that was the interpretation put on it by John Redwood, who said: "I am delighted the Foreign Secretary has decided to warn our European partners of the divisions currency union is causing and will cause, if they press ahead."

"If Britain abolishes the pound, many of us will want our country back. We want British economic policy under democratic control."

"Currency union is a disaster waiting to happen. Britain is right to warn of its dangers. We must use

every means at our disposal to make sure the nightmare does not become a reality."

Another leading Tory Euro-sceptic, Sir Michael Spicer, said Mr Rifkind's warning that a single currency would be a bad thing for Europe was "excellent, and the tougher we are on that the better".

Menzies Campbell, the Liberal Democrat spokesman, said: "It is not Europe that is being ripped apart by economic and monetary union; it is the Tory government. Mr Rifkind would be better employed lecturing his own backbenchers on the folly of Euro-nihilism."

Labour reacted with a selection of quotations from its data-bank - including that of the Defence Secretary, Michael Portillo, in May 1994, that a single currency "would mean giving up the government of the UK. No British government can give up

the government of the UK. That's impossible."

But John Bruton, the Irish Prime Minister who holds the EU presidency this year, yesterday set the establishment of a single currency as a central aim for the EU.

In a state of the union speech to the European Parliament in Strasbourg he said: "Economic and monetary union must commence on time, and in line with Treaty requirements. The single market, if it is to be consolidated, must be underpinned by a strong and stable European currency."

"The single currency will eliminate exchange rate risks and transaction costs for trade, tourism and investment between participating member states. It will place Europe firmly centre stage in the global economy."

Leading article, page 15
Letters, page 15

Major ventures into the moral maze

COLIN BROWN
Chief Political Correspondent

John Major last night attempted to reclaim the moral high ground from Tony Blair by denying the charge of "uncaring Conservatives" and insisting there was a moral case for tax cuts.

The Prime Minister provoked bows of indignation from Opposition leaders, who said Mr Major had a cheek to claim the moral high ground after the Tory sex and financial scandals and the arms-to-Iraq affair. It was a high risk venture which could backfire on the Tories like the "back to basics"

theme, but senior Tory sources said Mr Major had been irritated into the attack by the Labour leader's stand on morality. "He doesn't believe Labour has any right to claim that it is more moral than the Conservatives," said a source.

Mr Major said: "I can hear the cries of 'uncaring Conservatives' already forming on the lips of our opponents. Cut taxes? Just an electoral bribe, they say. End capital taxation? Just a ramp for the well to do. But these cries just blur the argument. They are nonsense."

"We should not be put off by them. They are the baggage of a welfare state mentality that

distorts personal choice and resents personal ownership."

"I rejected the muddled thinking that says a smaller state must be uncaring. And I reject the thinking that equates big government with benevolent government."

His defence for the morality of tax cuts underlined the anxiety of ministers that a tax-cutting Budget may be treated sceptically by the voters, after the tax increases which followed the 1992 general election.

Alex Carlile, the Liberal Democrat spokesman, said: "The Prime Minister has a distorted view of what is moral and what is immoral."

Mr Blair said his party would take the Tories "head on" in a debate about political morality. The Labour leader also dared Mr Major to act upon his hints in a radio interview earlier that he might chance a live TV clash with the Labour leader in the election campaign.

John Prescott, Labour's deputy leader - in a speech mentioning the word "socialist" five times - said: "Perhaps the next poster will be John Major sitting on a cloud with a harp and a halo over his head with the slogan 'go to work on a harp'."

The speech was intended to

herald the publication today of the White Paper on the citizen's charter, but Mr Major decided to use it to counter the appeal of Mr Blair with his brand of Christian socialism. The Tory source said: "Labour keep using the word 'moral' as if they had some sort of moral superiority. We think the opposite is true."

The Prime Minister reaffirmed that the Government would be seeking to slash public expenditure below 40 per cent of national income. "Moral" is a word I usually prefer to leave to the Church but it is apt for what I intend to say," Mr Major said. The case for smaller

government was as much a moral case as an economic one. "For example, is it moral to take from individuals the right to make personal decisions? I think not. Is it moral to impose obligations on employers like the Social Chapter and the minimum wage that will cost jobs and prevent those without jobs from getting them? Again, I think not."

The shadow Chancellor Gordon Brown said people would be "astounded at the double standards of a Prime Minister who calls for the moral case for low tax yet was responsible for 22 tax rises".

Major speech, page 4

QUICKLY

Bomber to the rescue
An IRA bomber who is serving 35 years for blowing up Warrington gasworks intends to give evidence that could free another man jailed for the same attack. Page 2

Lessons in teaching
A new national curriculum for teacher training will specify which methods trainees should be taught, what knowledge they need of a subject and how they should control a class. Page 8

Finance boss sacked
Peter Young, the City finance manager at the centre of an investigation into "possible irregularities" in three European unit trusts, has been sacked. Morgan Grenfell for gross misconduct. Page 19

UN retreat
The UN Secretary-General, Boutros Boutros-Ghali, has been forced to back away from what was to have been a first effort to cut dead wood from the United Nations staff. Page 14

Any parts, anyone, anywhere...

LOUISE JURY

First they searched for Britain's most beautiful people. Now they want to uncover the nation's best bits.

Martini, the drinks manufacturer, is to launch a hunt for the most attractive body parts for the latest in its controversial series of advertisements.

"At the end, we'll be able to put all the most beautiful bits together and see what they look like," a spokeswoman said. "It will be interesting to see."

The idea follows the company's search last year for beautiful members of the public. Almost 40,000 people responded to the question, "Are you the best-looking person you know?" and a final four made it through casting to star in the controversial advertisements where men and women discussed having cosmetic surgery to become glamorous enough to drink Martini.

Uproar surrounded the last



Beautiful people: Successful applicants (left to right) Ida Kuyte, Phillip Johnson, and Jamie Eason posing yesterday

series when the Advertising Standards Authority received complaints that telling people to have cosmetic surgery so they looked "good enough" for the drink was hurtful to disabled people. The authority ordered that some of the advertisements should be shown only after 9pm. The company responded that it only intended to satirise vanity and it is now returning to the theme.

A spokeswoman said while many men and women did not believe they were all-round stunners, they did consider a particular part of their body to

be better than anyone else's. More curiously, there were even regional variations.

Lucinda Rayburn, Martini's casting director, is to tour the country to investigate the phenomenon further.

She said: "Last year we had entries from people all over the country thinking they were the best-looking person they knew. However, we did notice regional variations when it came to parts of the body."

"Scotland seemed to be particularly strong on men's legs, there were some particularly good bottoms from Newcastle and some gorgeous lips from East Anglia."

In addition to a television appeal from Sylvester Harvey, Martini's cosmetic surgeon, for viewers to send in photographs of their favoured feature, Ms Rayburn is to extend the search via a national roadshow.

The deadline for applicants to put their best foot (or whatever) forward is 31 October.

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Dawn treader: The giant ferry Stena Empereur arrives at Dover before a record-breaking trip to Calais carrying 70 coaches - seen here waiting for embarkation. Photograph: Tom Pilton

Jailed man innocent, says bomber

STEVE BOGGAN

An IRA bomber serving 35 years for blowing up Warrington gasworks is to give evidence, that could free another man jailed for the same attack.

Pairic MacFhloinn, who planted the bomb before shooting a policeman three times during his foiled getaway, has told the Home Office that he is ready to make a statement clearing John Kinsella, an Irishman who campaigners argue was duped into playing a minor role in the bombing.

Kinsella, 51, a petty crook, was described as the quarter-master for the cell which blew up the gasworks in February 1993. He was sentenced to 20

years, later reduced to 16, for hiding a bag of Semtex and weapons for the bombers, MacFhloinn, his nephew Denis Kinsella, and a third man who was never caught.

But John Kinsella has always insisted he was told the bag contained stolen silver and he did not know the people for whom he was hiding it were IRA volunteers, supported by a growing number of MPs, he points to the fact that he buried the bag under the site of a bonfire on an allotment near his home in Nottingham. He was nowhere near Warrington before or during the attack.

In an interview with *The Independent* from prison two years ago, he said: "Would I really

have hurried a bag under a bonfire if I knew it contained explosives?" Under questioning, when told what the bag contained, he immediately led police to it because it was close to a children's playground.

The Home Office confirmed that MacFhloinn had asked his solicitors to arrange a meeting at Full Sutton prison near York, where it is expected he will make a formal statement to police.

Kinsella's family have been waiting since March 1995 for MacFhloinn to agree to a meeting. It was then that he sent a letter to Kinsella's supporters which said: "John is not a member of the IRA and has never been. He had absolutely no idea what myself and my com-

rade ... were involved in. He never suspected that we were Republicans."

MacFhloinn's letter said that he and his comrade, who was not captured, used both Kinsellas, although it was Denis who introduced them to John.

It went on: "We realised that he [John] was a petty criminal who would do anything for money. As we wished to safely conceal some material, (the same items that were later used against John in court) we asked him if he would bury them for us. Reluctantly, he agreed, but only after we agreed to pay him £200 on condition that he would not look at the items that were sealed, and securely wrapped, and placed in a hold-all bag."

It is understood the IRA Army Council gave MacFhloinn clearance to release his letter, something done before only in the cases of the Birmingham Six and the Guildford Four. The IRA's Prisoner of War department in Dublin has repeatedly released lists of its volunteers held in British jails; Kinsella's name is always conspicuous by its absence.

The letter was shown to officials from the Home Office's C3 department, which examines potential miscarriages of justice, last year but it could not be accepted as the formal evidence needed to have Kinsella's case referred back to the Court of Appeal only a formal statement would suffice.



John Kinsella: Thought bag contained stolen silver

Ministers rule out university fees plan

JUDITH JUDD
Education Editor

Ministers have ruled out proposals from university vice-chancellors that would require students to repay tuition fees.

Gillian Shephard, the Secretary of State for Education, made it clear yesterday that she expected university tuition fees would continue to be funded by the taxpayer.

The Prime Minister is understood to be firmly opposed to students repaying fees because he believes it would restrict access to higher education.

Mrs Shephard's comments came as vice-chancellors were discussing plans which would mean graduates leaving college would have debts of up to £20,000 after a three-year course.

Their proposals being drawn up at their annual conference in Sheffield will be presented to the Dearing review of higher education appointed by the Government.

At present, students take out loans only for living costs. The vice-chancellors argue that universities are so short of funds that students should also be required to pay back the cost of tuition.

They want a scheme financed largely through banks under which both the cost of maintenance and that of a proportion of fees would be repaid after graduation through National Insurance Contributions.

Mrs Shephard said she did not expect any change in the way fees are paid. "Existing Government policy is that tuition fees are paid and students are given support in respect of grants and loans - the most generous in the Western industrialised countries - for their living costs. We will be putting our proposals to Dearing but I do not expect any change in that kind of structure."

The Dearing review, which has Labour's support, is due to report next June after the general election. Labour has said that it opposes any system requiring graduates to repay fees.

The review is also considering the big expansion of higher education. Vice-chancellors argue that funding for each student has fallen so sharply that standards are endangered.

Swiss make no promises on gold

LOUISE JURY

The Swiss government yesterday retreated from earlier hints that it might be prepared to re-negotiate the post-war agreement on Nazi gold, to the disappointment of Jewish groups that believe the settlement was immoral.

In talks with the Foreign Secretary, Malcolm Rifkind, Flavio Cotti, his Swiss counterpart, said he could make no promises regarding any gold still in Swiss bank vaults despite mounting international pressure for remaining hoards to be handed over.

The Swiss government set in motion a commission earlier this week to investigate Switzerland's war-time financial dealings with Germany and Mr Cotti said no predictions were possible until the inquiry was over. He expected it to take two to three years.

He added: "The political and legal consequences can only be decided when the facts are clear. I cannot say what the Federal Council will decide if new facts appear."

The 1946 Washington Agreement made a settlement for the disposal of Nazi assets and included the payment by Switzerland of \$60 million of gold, thought to be around 12 per cent of the Nazi gold held in its bank vaults when the war ended.

The MP Greville Janner, who as chairman of the Holocaust Educational Trust has led

the campaign for full disclosure of holdings by Switzerland, has described that agreement as "thoroughly immoral" and asked for its re-negotiation.

However, in a rebuttal to pleas from Jewish groups, Mr Cotti repeated Swiss assertions that it was "definitive".

International criticism of the Swiss followed the declassification of files in America and a Foreign Office memorandum



Malcolm Rifkind: Stands by Foreign Office memorandum

suggesting it held on to around \$500m of Nazi gold, worth several billion dollars at today's prices.

Reports in Switzerland have suggested that the Foreign Office document contained many inaccuracies. Yesterday Mr Rifkind said he stood by the document although he welcomed the Swiss initiative in setting up the commission of inquiry.

A spokeswoman for the Holocaust Educational Trust said it was grateful that Mr Rifkind had kept his word and challenged the Swiss government. But she said: "We are disappointed about the speed of the Swiss inquiry. They're quibbling figures in the Foreign Office report. If they know what the figures are, we'd like to know now."

A separate meeting took place yesterday of the Tripartite Gold Commission, which was set up at the end of the war to return gold stolen by the Nazis from the reserves of countries they invaded.

About £48m remains in the Bank of England for a final payout and there have been recent pleas for the gold to go to Jewish groups rather than back into national reserves.

Emrys Davies, the commission's secretary-general, said he and the three commissioners representing Britain, France and America had discussed the recent publicity surrounding the remaining gold.

But he said: "The commission cannot possibly change the terms of reference under which it was set up. In theory, the three governments could."

However, he believed such a change might need the ratification of all the Allied signatories of the post-war settlements, which would include not only most of the governments of western Europe but of, for example, India, New Zealand and Australia.

Channel 5 may delay launch

The new terrestrial television station Channel 5 announced last night that it may postpone its launch date until the middle of February or early March after the enlargement of its coverage area, writes Peter Victor.

The station had planned to start broadcasting in early January, but now needs more time to complete extra video re-tuning across Britain. The news comes after the Government's decision to grant it access to the channel 35 frequency, boosting its coverage from 70 per cent to about 85 per cent of Britain.

It means Channel 5 will need to re-tune an estimated 1.8 million home boxes. The station could now spend up to

£120m re-tuning about 12 million videos. "We won't be making the decision for a few weeks," a spokesman said. "But we expect to announce a revised launch date. It is very likely the date will be delayed for around six weeks."

"It is because of the allocation of the new frequency. More people need to be re-tuned and it is going to take a while to do that. It will take up to four weeks from hearing we have been given channel 35 for the various bodies, which includes the ITC and Radiocommunications Agency, to work out precise locations of the C35 frequency over the various transmitters."

The Independent Television Commission must authorise the move and amend Channel 5's operating arrangements. An ITC spokesman said: "We are not surprised by the news. Channel 5 will have to give us a formal presentation."

Channel 5 will also use the UHF channel 37 frequency in key areas of the country. Frequency 37 reaches an estimated 74 per cent of the population. A spokesman for the channel said: "Even with the delay, which is disappointing, the greater market penetration from the channel 35 frequency we should be on target for about £112m in advertising revenue in the first year."

significant shorts

A Tory MP has avoided possible deselection

by his local party by announcing last night that he will not seek reselection to fight the seat. Roy Thomson announced his decision just hours before his Bromsgrove constituency association was to vote on a recommendation from its executive that the selection process be opened to other candidates.

Mr Thomson announced his decision in a letter to the constituency chairman Sally Cooper, saying that pressure on his family was a factor in his reluctant decision. He said he accepted responsibility for the problems that had arisen over his candidacy, he did not say whether he would continue as an MP until the election, or resign now, forcing a by-election on his party.

British soldier in Croatian attack died from injuries

sustained after being set on by a gang of locals as he returned to barracks having taken part in a fun run, the Ministry of Defence said last night.

Private Simon Jeans, 25, was with five other British soldiers on their way back from celebrations after a half-marathon in Kastel Leksic, near Split, when they were set upon by 30 Croatian youths armed with sticks. He was brought to Britain suffering head injuries, but died on Tuesday at Frintley Park Hospital in Surrey. Pte Jeans, serving with the Royal Logistic Corps as part of the Allied Command Europe Rapid Reaction Corps, was married. Two other soldiers were taken to hospital for treatment after the attack on 7 September.

Drivers who use bus lanes illegally will be trapped

by cameras mounted on buses in London. The Department of Transport is spending £750,000 on 15 bus-mounted and 10 roadside cameras which will be installed in various parts of north London.

The cameras will photograph number plates and a computer will check the registration against a list of numbers used by buses before fixed penalty fines ranging between £20 and £40 are sent out. The installation of the cameras follows a successful six month pilot scheme during which warning letters were sent to offenders.

Christians Waldman

Cotswolds are to have giant windmill generator

taller than Nelson's Column after the Department of the Environment gave Western Windpower Ltd the go-ahead to erect a 208ft windmill on Lynch Knoll, almost 750 feet up on the skyline at Nympsfield, Gloucestershire.

District councillors in Stroud had rejected the plan after receiving 375 letters of objection - including from the National Trust and Cotswold Protection Group - and 167 in support. Locals feared the giant turbine would blight an area of outstanding natural beauty and noise from the single rotor would be a constant intrusion, but the company won its appeal against the decision.

Post workers' leaders are split over fresh strikes

according to signs emerging last night. They are divided over whether to name dates for fresh industrial action following the 24 hour strikes already scheduled for tomorrow and next Monday.

Faced with the threat of the suspension of the Royal Mail's letters monopoly, the postal executive of the Communication Workers Union adjourned a meeting until today. Some members of the executive want further strikes on Fridays and Mondays, but others argue that the latest peace formula from management over their productivity proposals should be put to ballot among 130,000 postal workers.

Barrie Clement

Jail escape trial has been halted

by a judge at Woolwich Crown Court in south London for "legal reasons". The trial of six men accused of breaking out of Whitemoor maximum security prison in Cambridgeshire two years ago, was halted and the jury discharged by Mr Justice Maurice Kay. Peter Sherry, 31, Liam O'Duibhir, 34, Liam McCotter, 33, Gilbert McNamee, 36, Paul Magee, 48, and Andrew Russell, 34, all deny "breaking prison" and firearms charges.

Pilot rescued from sea

after he being forced to eject from his jet moments before it plunged into the sea off the Moray coast. Aberdeen coastguard said believed the pilot was the only one aboard. He was winched from the sea by a helicopter from RAF Lossiemouth.

Marks and Spencer

In an article published on 20 May we reported Union claims that the Marks and Spencer Works Council is a "quising" body, which has been packed with "hand-picked cronies", and that union members have been forced to leave the union by intimidatory management tactics.

Marks and Spencer says that it rejects these claims. Members of its Works Council throughout Europe were properly and fairly elected. Any suggestion that management was involved in selecting candidates is wholly without foundation.

Marks and Spencer also say that the vast majority of its workforce does not belong to a union and sees little merit in membership when their employment terms are already among the very best in the retail sector. Access to Marks and Spencer employees by union officials is readily available and staff are free to decide for themselves whether or not to meet with them.

We are happy to give Marks and Spencer this opportunity of making their position clear.

Bubbly loses its 'pop'

as French champagne producers have developed a new cork. A quick tug on a tab on the side of the cork narrows its width inside the bottle and opens a hole which releases the gas giving not a "pop", but a "plop", and no shower of froth.

THE INDEPENDENT ABROAD

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RadioTimes

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First light at dawn of the universe

CHARLES ARTHUR
Science Editor

The blue objects in these pictures are thought to be the earliest galaxies to form in the universe, and they could overturn a long-standing theory that the cosmos is filled with "dark matter".

The research, published today in the science journal *Nature* by scientists from the University of Durham, shows that the first galaxies formed when the universe was about 5 billion years old, one-third of its current age. The galaxies are blue because the stars in them are very young: older stars would be redder.

But at the same time, the theory of "cold dark matter" - which suggests that interstellar space is filled with matter which cannot be observed directly because it does not give off light or heat - will come under strain from these results, according to the researchers.

Cosmology theory suggests that after the "Big Bang" 15 billion years ago, the matter in the Universe clumped together under gravity to form stars, and that these then clumped into larger groups of stars - the galaxies.

"In the standard version of 'cold dark matter', the galaxies continue to form under gravi-

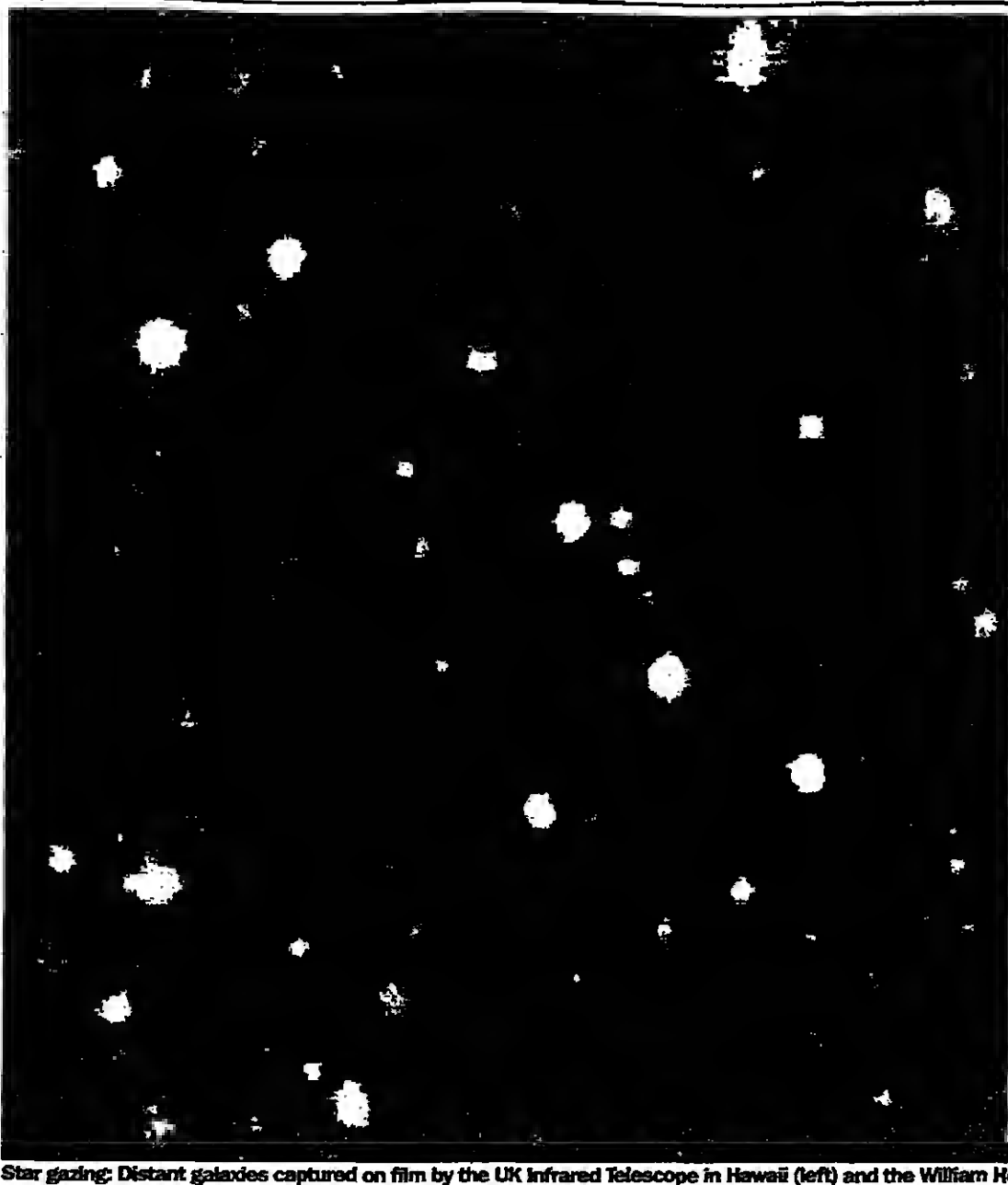
ty up to the present day," said Tom Shanks, who led the team at Durham's department of physics. "But these galaxies [in the picture] have formed rather early for that model."

Nigel Metcalfe, another team member, said "The dark matter theorists can squirm about, but it's a solid problem - there are too many of these young massive galaxies for the simple cold dark matter theory."

The pictures were produced using the William Herschel Telescope in the Canary Islands and the UK Infrared Telescope in Hawaii. They can see a million faint galaxies in an area of sky the size of the Moon, each one a million times too faint to be seen with the naked eye.

The galaxies' age was worked out by determining the "red-shift" of their light - caused by them receding as the universe expands. The further away, and older, something is, the more its light is reddened.

Dark matter theory has developed because astronomical observations of the movements of galaxies suggest that something invisible is affecting them. Cold dark matter theory says this is caused by as-yet undetected particles, though other explanations, such as planet-sized objects which do not radiate heat, have been proposed.



Star gazing: Distant galaxies captured on film by the UK Infrared Telescope in Hawaii (left) and the William Herschel Telescope in the Canaries. Exposure times of 30-50 hours were required

How to beat a stalker: have him stalked

JOJO MOYES

A London private detective agency is turning the tables on stalkers - by stalking them.

The MC Investigations Agency, which introduced its "anti-stalking" service nine months ago, claims it has dealt with four cases non-aggressively, by showing the offender how it feels to be stalked.

"It's a psychologically based technique in that stalkers like to feel they are in the driving seat. We try to reverse the roles so that the victim feels they're taking back control," said "Mark", head of the agency.

Speaking to *The Independent* as controversy raged over the legal difficulties that led to the acquittal on Tuesday of a south London man who had been accused of stalking a female restaurant manager, Mark said the first step was to get as much information as possible about the stalker. This can be easy if the stalker is known to the victim, but can entail more time-consuming methods like call tracing and fingerprinting.

He gave the example of a recent case - a "classic" scenario of the bullied woman, whose partner couldn't let go. "He would watch her and ring her 30 times a day, he would come round and try to gain access to the house and threaten her when she refused," he said. As

with many cases, he said, the police could only do so much because of the difficulty in proving psychological harm. "And in many cases the woman feels she's to blame and she sits back and takes it all," he said.

The key, he said, was to find "the chink in the stalker's armour" - in this case he was a foreign national who needed a visa to stay in the country. "After we had done our background work, we snapped various time-dated photographs of him and sent them to him. After a while I rang him up and told him that I'd been hired by

someone known to this girl and that we understood he wanted to stay, in which case he was going to have to stop."

At first, he said, the stalker was "a bit cocky", so they sent more photographs and began tailing him. "He stopped immediately. He knew we were

following him and he didn't like it," he said. "He told people that someone was trying to ruin his life and that he had never wanted to do her any harm."

The agency believes it is the element of surprise that is effective, as it transfers the feeling of control from stalker to victim. "We've never had an aggressive reaction. But you've got to know the person you're dealing with," Mark said. "You can't rush into it because you wouldn't want to take actions that resulted in harm to the client. It's a non-aggressive method. If we felt there was any danger at all we would call the police as well."

In this case, the woman has not heard from her stalker in five months. Freedom cost her £500 - a relatively cheap price for a relatively simple case.

What was needed, however, was a change in the law, Mark said. "The UK is still so far behind the US in its treatment of stalkers, as [Tuesday's] case shows. This girl has a right to privacy, but what now can the police do?"

Role reversal: Under current law, a victim's best bet may be to employ a private detective like Albert Finney in *Gumshoe*



Role reversal: Under current law, a victim's best bet may be to employ a private detective like Albert Finney in *Gumshoe*

Law in urgent need of reform

PATRICIA WYNN DAVIES

If confirmation were needed, the acquittal on Tuesday of Dennis Chalmers after a four-year campaign of harassment and pestering provides ample justification that a new law on stalking is urgently required.

Margaret Bent, his 30-year-old victim, said she would have to quit her job and move house to escape after Mr Chalmers was cleared of grievous bodily harm and affray. The outcome stands in contrast to three earlier cases where the Crown Prosecution Service secured convictions of stalkers under the

more serious charges contained in the 1961 Offences Against the Person Act.

Janet Anderson, the shadow minister whose own anti-stalking Bill was blocked by the Government earlier this year, yesterday emphasised a key drawback of the current law - the need to prove the stalker intended to cause the harm.

In fact, the Chalmers case raised a different though equally crucial issue - the degree of harm caused. The case hinged, Judge Quentin Campbell told the jury at Inner London Crown Court on whether that harm was really serious. "You

may think she suffered annoyance, panic and emotional distress ... that alone would not be sufficient to find these charges proven. You have to go a step further and ask yourselves has Miss Bent suffered psychiatric damage and is that damage really serious?"

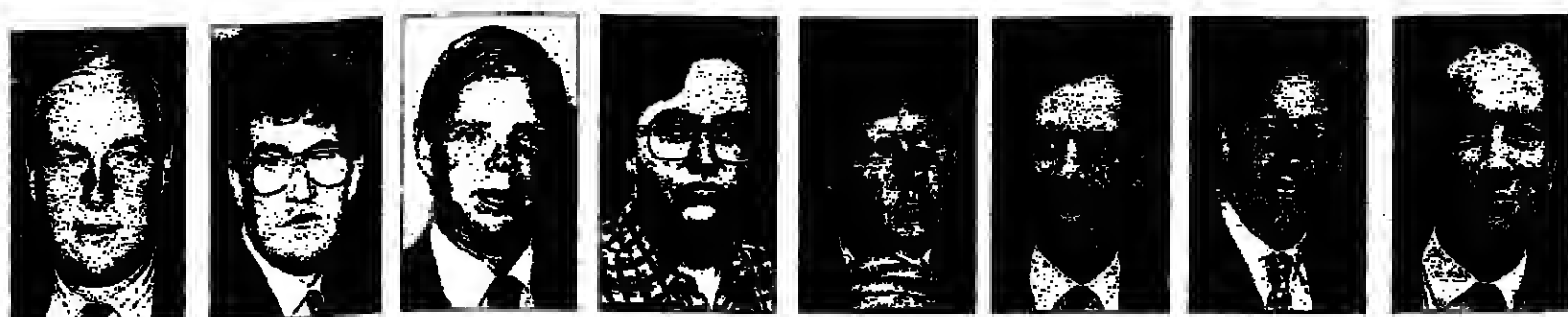
Although Ms Bent's supporters were unhappy with the judge's direction, the summing up represented the current state of the law. The earlier convictions for actual or grievous bodily harm have only been secured because the extent of psychological harm inflicted on the victims was so severe as

to equate with physical assault. The logic is that the more a victim resists, the less likely she is to see her tormentor brought to justice. But the drafters of the Government's consultation paper on reform appear to be moving, if belatedly, in the right direction. The earlier cases, they say, "cannot be used as a general precedent for dealing with cases of stalking. Victims should not have to suffer to such an extent in order for the law to provide an effective remedy - it is important to be able to take action before the behaviour of the stalker causes such severe harm to their victims."

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Major's fallen men, from left: Tim Yeo, Stephen Milligan, the Earl of Caithness, David Mellor, Steven Norris, Jonathan Aitken, Neil Hamilton and Tim Smith

The last time Major said something like this he lost seven of his ministers

COLIN BROWN
Chief Political Correspondent

The last time Mr Major attempted to take the high ground with "back to basics" the Government was hit by a series of sex scandals and other scandals. A minister seemed to resign almost every month.

David Mellor was the first, in September 1992, after his affair with a model.

The "back to basics" strategy – the brainchild of Sarah Hogg, then head of the Downing Street policy unit – opened the Tories to the charge of hypocrisy.

The aim had been to reclaim the centre ground for the Conservatives as the party of family values, at the party conference in Blackpool in 1993. It degenerated into an end-of-the-pier joke.

Steven Norris admitted to having an affair at the same conference. He survived the storm, but never got the Cabinet promotion which many felt he deserved.

Almost endless scandals made the year that followed seem like a Whitehall farce.

Within three months, Tim Yeo, an environment minister, had resigned after admitting having fathered an illegitimate child.

Stephen Milligan, a rising star on the Tory back benches, died in a bizarre sex act. He was found with a ligature round his neck, an orange in his mouth, and dressed in lingerie.

The shock of Mr Milligan's death was followed by the alle-

gations over David Ashby sharing a bed with another man, which led to a celebrated libel action.

Lord Caithness resigned

after his wife shot herself, and the toll continued as Hartley Booth, once a trusted adviser of Margaret Thatcher, admitted having an

affair with his researcher. Michael Brown, a government whip, resigned over allegations of a gay affair and Alan Clark, a former minister who

had left the Commons in 1992, described in his diaries a series of sexual adventures which which few works of fiction could surpass.

Robert Hughes, a close ally of the Prime Minister, resigned after admitting an affair with a constituent. This year, the Prime Minister's patience with ministers was exhausted. When Rod Richards was accused of an affair, he was ordered to resign within 24 hours.

The sex scandals were overtaken by other embarrassments for the Government, which led to Mr Major establishing the Nolan committee on standards in public life in an attempt to clean up the Tories' image.

Mr Milligan had been the parliamentary private secretary to Jonathan Aitken, the defence minister, who resigned in 1994 to fight allegations of accepting hospitality at the Ritz in Paris. Neil Hamilton, another minister, resigned after a similar controversy, and his libel action against the *Guardian* will go ahead during next month's Conservative Party conference.

There have been other allegations – two Tory MPs appeared to have been prepared to table Commons questions in return for cash.

Mr Major, unlike Baroness Thatcher, has avoided using the Bible as his text for his political beliefs. He launched his renewed campaign on morality as a reaction to the Christian Socialism of Tony Blair. It could become known as Christian Capitalism, unless it backfires on Mr Major.

Why moral is the apt word

These are extracts from John Major's *Spectator* lecture last night:

"Moral" is a word I usually prefer to leave to the Church but it is apt for what I intend to say. For example, is it moral to take from individuals the right to make personal decisions? I think not. Is it moral to impose obligations on employers like the Social Chapter and the minimum wage that will cost jobs and prevent those without jobs from getting them? Again, I think not. Is it moral to compulsorily take too much tax from people for government to spend and diminish individual choices? My answer is no.

Smaller government fits with a belief in individual freedom and choice – still one of the basic divides in British politics.

I start from the presumption that government should not interfere and meddle where it is not needed – the belief that power, choice and responsibility should, wherever possible, be left with individuals and their families, with entrepreneurs and businesses.

I don't want my personal

choices made for me by the state. Nor do most people. Nor is it necessary. The British people are better able to order their lives effectively than the most efficient and humane of governments. Trust the People" is an old Conservative battle cry. It must be central to our future policies.

We aim to regulate less of people's lives. We trust people to spend their money, or save it, or give it, and to do so sensibly. We don't believe most people are selfish or greedy. And we think they can be trusted to exercise those instincts themselves – not to have them exercised on their behalf by men in Whitehall who claim to know better.

So we aim to tax and spend an ever smaller share of what people earn. To reduce aid, in due course, abolish capital taxation. I want to do that because it makes good economic sense: it ends a penalty on enterprise and investment; it will release capital and create jobs. And that is the right thing to do. There is a moral case for low taxation if you genuinely want to see growing prosperity and more employment.

And it is that moral view, not as much as the economic, that leads me to the conviction that the state should progressively disengage itself and do less, but that what it does it should do well. Indeed, I believe that by doing less it is more likely to do better.

Underlying socialism, democratic socialism, or even social democracy – is a set of instincts that favours state control. Where there is a choice it is always to be exercised in favour of the state, and to be seen by the state.

It's those instincts that lead to high spend, high tax policies, and to ever more regulation. They may be dressed up in the name of better public services. But underlying them is a fundamental belief that the Government knows better how to spend your money than you do – that government control can produce better outcomes than free choice.

We still have much to do. We are only half way through our programme. But the direction in which the Government wants to go is towards more choice, more information, more accountability.



Locking horns: A costume by Alexander McQueen being prepared for the Designer of the Year awards at the Royal Albert Hall on Sunday
Photograph: Tony Buckingham

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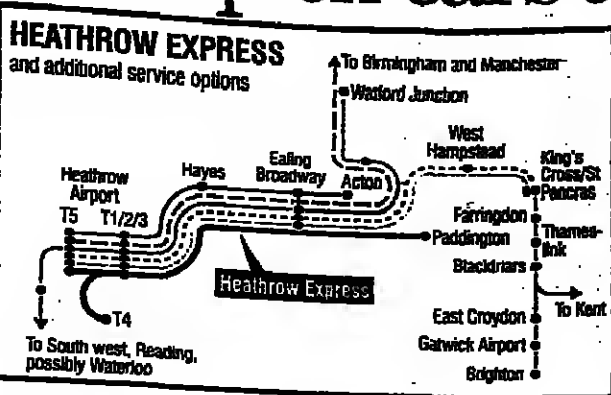
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هذا من الأصل

Clamp on cars as trains take the plane at Heathrow's new terminal



CHRISTIAN WOLMAR
Transport Correspondent

BAA, the company which owns Heathrow airport, stepped up its campaign to be allowed to build a fifth terminal by announcing plans for a variety of new rail links and promising that the amount of new car parking spaces would be capped at 20,000.

The airport is already due to be connected by railway for the first time in the summer of 1998 with the £350m Heathrow

Express and yesterday BAA said that it was in negotiation with five potential private operators to bring trains in to the station.

Options include running one train per hour to both Birmingham and Manchester, operating a frequent service to St Pancras in north London, connecting with Thameslink or running local trains to either Watford Junction or Acton.

There is also a study being undertaken by the consultants Halcrow to link Heathrow with

the Reading-to-Waterloo line. But another scheme, to join Heathrow with the Great Western line in a westerly direction creating scope for direct trains from the South West and Wales, has not attracted any interest from the existing train operators, GWR and Thames, because it would need electric trains and they only operate diesels.

While BAA's plans will be met with enthusiasm by supporters of rail, so far no money has been committed towards

any scheme and no decision has been taken between options that are mutually exclusive because of the limited amount of capacity.

Moreover, BAA has refused to name most of the potential private operators with whom it is having discussions although Virgin has already expressed an interest in the St Pancras connection.

If Terminal 5, currently the subject of a planning inquiry which is not due to end for at least another year, is given the

go ahead, there could be as many as 16 trains per hour arriving at the airport. However, if permission is not received, the maximum would probably be eight per hour, of which half will be the Heathrow Express service linking the airport to Paddington with a 16-minute journey.

The plan for rail links is part of BAA's determination to show that the new airport terminal would not jam up local roads in north-west London. The announcement of the proposals

coincided with the publication of BAA's evidence to the public inquiry on surface access to the new terminal. As part of the company's policy, it has said that it will increase parking charges by an average of 25p per visit in order to raise extra funds for public-transport provision and it has committed itself to a cap of 55,000 on the number of parking spaces at the airport, compared with the current level of 35,000, all but 10,000 of which are run by BAA.

Europe backs down on mass cull of cattle

COLIN BROWN
Chief Political Correspondent

The European Commission last night made a U-turn over demands for the mass cull of cattle in Britain and agreed to reconsider new scientific evidence backing a reduced slaughter programme.

The change, after a meeting in Strasbourg, will be seen as a victory for Britain. It came 24 hours after European agricultural ministers rejected the case put by Douglas Hogg, Britain's minister of agriculture. It was calculated to avert any damaging response from John Major who could have taken the issue to the Dublin summit conference called for the weekend before the Conservative Party conference.

A meeting of senior Cabinet ministers chaired by Mr Major was today poised to defy the demands by European ministers for up to 140,000 cattle to be culled and to give the go-ahead for a smaller cull, of around 24,000 cattle.

Yesterday's decision came after Mr Hogg told the European Commissioner for Agriculture, Franz Fischler, in a private meeting that he could not deliver if he was ordered to introduce legislation in the Commons to carry out the mass cull because it was opposed by Tory MPs.

Mr Fischler told the commission meeting that the new report, known as the Oxford study, which sets out a range of options for eradicating BSE, was a "serious" and "constructive" document. Twenty-four hours earlier he told Mr Hogg that it made no difference to the terms of the selective slaughter programme agreed with Mr Major at the Florence summit in June.

The U-turn by the commission followed pressure from Sir Leon Brittan, Britain's senior commissioner, who urged his colleagues to look more closely at the details.

The Government was expected to defy the commission by limiting the cull to about 24,000 cattle in line with the new scientific evidence from Oxford suggesting that "mad cow" disease "will die out of the national herd by 2002".

Unilateral action by Britain would provoke protests from the European Commission and European leaders but ministers have virtually ended their hopes of persuading Europe to lift the ban on British beef exports.

The Prime Minister wants to try to persuade European leaders to back the British action.

The row over beef could still dominate the agenda for next month's European summit which was called, against Britain's wishes, by the Irish presidency to discuss progress

towards the single currency.

Mr Hogg held private talks with the agriculture commissioner, with only two officials present including Richard Packer, the Permanent Secretary at the Ministry of Agriculture. He is said to have told Mr Fischler in plain terms that the demands for the wholesale cull were unrealistic and were contrary to the Florence agreement, which was underpinned by the need to respond to the scientific evidence.

Sir Leo said: "The commission is not unsympathetic to Britain's predicament. It considers the Oxford study a constructive and serious piece of work and is anxious to pass it to the scientific experts. The commission is open-minded on the implications for the extended cull."

He added: "This positive approach by the commission should encourage those tempted in the UK to push for the unilateral repudiation of the Florence agreement."

The Oxford study was seized on by government ministers because it suggests that BSE will disappear regardless of any selective cull of high risk cattle in Britain. But its options include ways of tackling BSE, among them an even larger cull than the estimated 147,000-strong slaughter agreed by Mr Major in Florence.

Salvation in prospect for Kipling's dream Downs



The Iron Age hill fort of Chanctonbury Ring, on the South Downs, West Sussex. A special conservation area covering the whole of the South Downs - an area stretching from the cliffs of Beachy Head to the outskirts of Winchester - was proposed yesterday by the Countryside Commission.

Some 32 million visits a year are made to the 938-sq-km Sussex section alone, as many as the most popular national park and testimony to the lure of Kipling's "blunt, bow-headed, whale-backed Downs". A six-year experiment with Sus-

sex Downs Conservation Board ends in March 1998; conservationists, amenity groups, farmers and councils judge it a success.

The Commission would like the arrangement made permanent and the Board's remit extended to take in the 383-sq-km East Hampshire area of outstanding natural beauty.

But the plan falls short of the protection offered by national park status and there are doubts about where the money would come from to run the new Downs body. Half the Sussex board's £1.2m budget has been met by the Commission and half by

councils. But the Commission wants to see its overall level of support "reduced significantly".

The Downs was one of the 12 areas earmarked for national park status in the 1940s. But the ploughing up of pasture for food and urban development led to the chalkland being dropped from the list. Consultation prior to yesterday's proposal revealed widespread opposition to declaring the area a national park, especially from landowners and from councils who would have lost their planning powers.

Photograph: Tom Pillston

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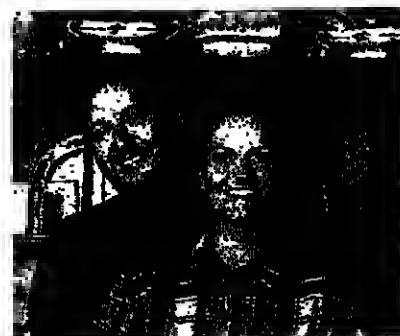
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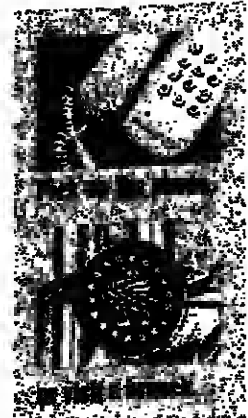
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news

Finney and Conti line up to save the greasy spoon of the stars

LOUISE JURY and
MICHAEL STREETER

Audrey Hepburn drank coffee there. Dustin Hoffman was once sent to the back of the queue. And a host of stars, from David Cassidy to Maurice Chevalier and Sir Harry Secombe have popped in.

But from 11 November, a café which has fed and watered London's theatre folk for nearly half a century will be no more.

The site of Valotti's of Shaftesbury Avenue is to be re-developed although the actors Tom Conti and Albert Finney are among 600 who have already signed a petition opposing the café's closure.

Valotti's was opened 48 years ago by Victor Valotti, now 84, and in ill health at home in Italy. With bangers and mash at £2.80 (today's prices) and roast lamb, pudding and tea for £4, it has become well-known to the backstage crews and chorus lines of a host of nearby shows.

The chorus girls of *Les Misérables* once sent a note pleading that the café should not feed garlic-filled chicken kiev to one of the leading men before shows when he had to perform stage kisses.

Julia Mackenzie, best known for the television sit-com *Fresh Fields* but an accomplished interpreter of Stephen Sondheim, once led the cast of Sondheim's *Into The Woods* across the road from the Phoenix Theatre to present a bouquet of flowers to the café's manager, Mirka Summers, on her wedding day.

Mrs Summers, 41, has worked at the café for 11 years and is disappointed at the expected closure. She is grateful to "all our friends in the theatre" for their concern, but admits the landlords have the right to ask them to leave.

"We are trying to fight for our survival," she said. "All our friends from the theatre decided they've got to fight and help us try to do something. We are very popular - lots of people come and see us."

The café is ideally placed to feed theatre-land. The musical *Tommy* is hasting out at one end of the street, while behind them *Fame* is entertaining the crowds at the Cambridge Theatre. After half a century as a theatrical institution, 5pm to 7pm is the busiest time of day as crew and cast come in for a snack before an evening's work.

Mrs Summers, in charge while Henry Valotti attends his sick father, is nostalgic about the café's good times. Posters from them all adorn the walls. "Everybody has come here. Audrey Hepburn used to pop in for a coffee when she was on the chorus line," she said.

When *The Merchant of Venice* was playing down the road, all the cast visited Valotti's for bangers and mash. "One day, this scruffy man came up to the front of the queue. I said, 'Excuse me, the queue is at the other end.'"

"The little thing went to the back and Henry said, 'You've got guts, woman, that was Dustin Hoffman.' 'Well, I said, 'Everyone is equal.'"



Mirka Summers, who once sent Dustin Hoffman to the end of the queue, at work in Valotti's, due to close in November

Photograph: Adrian Dennis

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Labour gets tough on young offenders

JASON BENNETTO
Crime Correspondent

Youth crime and liberal thinkers were targeted by Labour yesterday in a key law and order speech.

Jack Straw, the Shadow Home Secretary, highlighted the "failure" of the youth justice system and some parents to tackle rising crime among young people. He called for tougher court and police action against young offenders and greater involvement of society.

in what will be a key theme in the run up to the general election. But more controversially the speech also criticised the social services, probation officers, and academics, who were accused of losing touch with public thinking.

He attacked what he believes are the complacent attitudes of some organisations in their unwillingness to intervene and penalise youngsters.

This move is part of a head on fight with the Tories to seize the title of the party of law and order. It will, however, be greeted with dismay by some reformers who believe it is the latest lurch by Mr Straw and Labour towards the right and the agenda set by Michael Howard, the Home Secretary. Speaking at the University of Salford, Mr Straw yesterday attacked the Government's record on youth crime arguing

that in the last 10 years the offences that juveniles typically commit have increased by over 40 per cent, while the number of people cautioned or found guilty has decreased by more than a third.

He said: "I see the criminal justice system - especially the youth justice system - still trapped in a secret garden, in which a culture of excuse for the performance of the system, its delays, waste, ineffectiveness, and for the offenders themselves, is too prevalent. Many of the offenders discover too late as they go down the steps to the cells to face a sentence in adult prison that the system has been too weak and ineffective for too long."

He argued that many of the "liberal" sections of the criminal justice system are out of touch. "As for social services, the probation service, and those who provide the intellectual framework for our sentencing system, namely academic researchers, I think there is too much distance in public understanding." As part of a programme of measures against youth crime, to be unveiled during October, Mr Straw called for faster court proceedings for dealing with crimes by the young, as well as their getting a set number of chances before reaching the dock, and parents possibly serving community service sentences along with their off-spring.

Cantona to pay £350 for assault

Eric Cantona was yesterday ordered to pay a photocopy salesman £350 damages after a judge ruled he had attacked the man in a hotel brawl.

The Manchester United star denied through solicitors that he had grabbed Tom Doyle round the neck and slapped his face.

He said he had not contested the case at Liverpool County Court only to avoid causing the "media circus" that would result if he had attended the hearing.

But James Byrne, Mr Doyle's barrister, said: "Mr Doyle is pleased with the judgment. He feels he has been vindicated. The court has accepted he was assaulted and battered by Mr Cantona."

The incident happened in 1994 when Cantona was in the Moat House International Hotel, Chester, after a day at the races with other players.

Reports at the time said tables were overturned and

chairs sent flying after heated exchanges between the players and other people in the hotel.

Cantona's lawyers said after yesterday's private hearing that the player had offered Mr Doyle £1,000 - the maximum he could have been awarded by the small claims court - but that had been rejected.

His solicitor, Simon Mather, said: "Eric Cantona strongly denies these allegations. In his absence the district judge inevitably found in favour of Mr Doyle."

Mr Byrne said Mr Doyle, from Liverpool, had not been prepared to accept Cantona's £1,000 offer because the player was not accepting liability for the assault.

Mr Doyle gave evidence and was cross-examined at the hearing before District Judge David Gee awarded £350 with costs and £3.50 interest.

Mr Doyle left the court without commenting.

هكذا من الأصل

Fly away Peter, come in Paul...Britain's migratory birds flee the nest as global warming takes hold

NICHOLAS SCHOON
Environment Correspondent

Man-made climate change is likely to wreak havoc with migratory birds around the world and slash the populations of several species, a report warns today.

Birds that rely on British coastal habitats are particularly in danger, the World Wide Fund for Nature says. Rising sea levels will cover huge tracts of mudflat and shore marshes which in winter provide them with a crucial feeding ground.

The report says that the gradual global warming which appears to be under way may be the reason why several species are nesting earlier in the year in Britain. They include species as diverse as the chaffinch, magpie, dipper and wren.

Further north, some birds whose British populations were at the northern limit of their range appear to be building up their numbers here as the climate becomes warmer. These include Cetti's warbler and two tropical and Mediterranean species which appear to be on the verge of establishing UK breeding populations, the little egret and the Eurasian spoonbill.

The report says that half-a-dozen species which breed in tundra-like habitats in the coldest parts of Britain may stop nesting here if the climate warms substantially. Those include the dotterel, ptarmigan and snow bunting, all mountain-top birds.

But the biggest impact of all could be on the millions of wild-fowl and waders which fly south along western Europe's coastline from their Arctic and sub-Arctic nesting grounds towards warmer climes for the winter. Their route is known as the eastern Atlantic flyway, and Britain's estuaries provide crucial feeding grounds along the way.

The marine life in the mudflats provides some birds with a winter-long food supply, while for others they are crucial refuelling stops during migratory flights which are thousands of miles long.

"Shore birds such as the

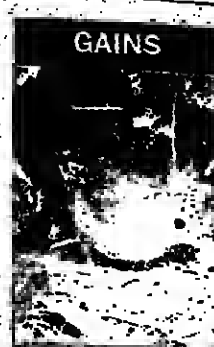


LOSSES
Knot - a small wading bird which nests in the Canadian high Arctic and Greenland and winters in British estuaries.

Snow bunting - nests around mountain peaks in Scotland, and spends the winter on the shoreline.

Ptarmigan - a grouse which lives on some of Scotland's highest mountain tops.

Whimbrel - a long-beaked wader which breeds in small numbers only in the extreme north of Scotland, and winters further south.



GAINS
Cetti's warbler - a small bird of marshes and riversides, it came here from the south in the 1960s. Over 200 breeding pairs.



Little egret - small pure-white herons from the Mediterranean, rare visitor to UK until the 1960s. May soon start to breed here.

Put to flight: The Eurasian spoonbill, a large wading bird whose numbers are building up along Britain's eastern shoreline. It may soon start to breed here, as it does already in Holland

Photograph: Ardea

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Monopoly fears over government computer contract

STEVE BOGGAN

EDS, the computer company founded by United States presidential candidate, Ross Perot, undercut rival bids by half in order to win the latest in a string of government contracts worth £2bn.

According to today's *Computer Weekly* magazine, which has uncovered a number of anomalies in the awarding of government department contracts, EDS said it would charge only £25m to provide computing services to 250 county and crown courts in England and Wales, while its nearest rivals are understood to have bid £50m.

The company announced the deal this week but the difference in bids has resulted in some observers suggesting that EDS intends to use the contract as a way into future, more lucrative business. Under recommendations by Lord Woolf, Master of the Rolls, all courts are expected to undergo radical changes in the field of information technology.

Others believe EDS, which now has no links with Mr Perot, is growing too big too fast. It already has contracts to provide IT services to the Inland Revenue, the Department of Social Security, the Child Support Agency, the Ministry of Defence and the Driver and Vehicle Licensing Agency. According to a National Audit Office report, it also bid substantially below rivals to secure the DVLA contract.

Labour MP Alan Milburn, who has raised questions about the growth of EDS, said yesterday: "Clearly there is a danger of a new monopoly developing. The whole thrust of the Government's claims about market testing is to break down monopolies and not to make new ones."

"If there are any suggestions that a company is getting its foot in the door at a low rate now



Ross Perot, founder of the computer firm EDS

simply to make money out of the taxpayer in the future, then I think that is a great cause for concern."

The contract, awarded by the Lord Chancellor's department under the Government's Private Finance Initiative, will result in all court records being computerised. Currently, only six county courts benefit from computer record systems. EDS

will earn a fee each time a summons is processed, with profits being directly related to the amount of "business" conducted by courts.

David Biondini, business manager at EDS, denied yesterday that the bid was a loss-leader, even though *Computer Weekly's* sources said that rivals, including Siemens, had costed the work at about £50m.

"We have certainly not bought the business," he said. "There is no guarantee in the contract that further work will follow, so it would be madness to gamble on it."

"We have simply been able to bid lower than our competitors because we worked very closely with the courts and developed a system that enabled us to make huge savings."

He added: "This isn't a case of comparing apples with apples. The Private Finance Initiative allows you to innovate, and that is what we have done."

"The technology we have used and the way we have used it is the reason for our bid. I won't describe what it involves because we will want to use it again."

Asked about concerns over the number of contracts it held, another EDS spokesman said: "The important thing to remember is who owns the information we process - the government departments involved. There is a master-servant relationship and we are the servant of the departments who have contracted us to do a job."

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Virtual reality headset designed to process data from satellites makes reading possible again



Dr Thompson reading a bedtime story to his daughter Naomi, four, with the help of LVES

Photograph: Keith Metheringham

I'll tell you a story about how the blind can see...

CHARLES ARTHUR
Science Editor

A registered blind man is reading books again, thanks to a piece of equipment designed by the United States space agency to process satellite images.

Dr Tom Thompson, 42, suffers from macular degeneration, an eye disease that leaves sufferers walking around in a fog. But now a virtual-reality headset for less than £4,000, developed by Nasa with specialists at Johns Hopkins

University in Baltimore, has rejuvenated his sight. Macular degeneration is common in the elderly, but does not usually start to affect people's vision until they are past retirement age. The macula is the most sensitive part of

the retina, onto which the eye focuses the central part of any scene. The degeneration causes loss of detail in the central area, making reading or driving difficult or impossible. Peripheral vision remains, but it is not detailed enough for many tasks.

Dr Thompson's condition was first detected three years ago, and he had been unable to read for more than a year. But while in the US, visiting friends in Baltimore, he met an optician who told him about a piece of equipment called the Low Vision Enhancement System - or LVES, pronounced "Elvis" by its users.

"I had a go on the equipment and it was amazing. I could actually read a book. I talked it over with my wife and we decided it would be worth using our savings so I could read again," Dr Thompson, a former GP of Hutton Buscel, North Yorkshire, said.

The LVES system, which is available for sale or hire in the US, costs \$5,600 (£3,600). A number of companies in the US sell it, including Sight Systems of Olympia Fields, Illinois. There are fewer than 200 users of LVES in the US, and Dr Thompson is believed to be the only one in Britain.

LVES weighs about two pounds, and consists of three cameras - one for each eye and a zoom lens - in a head-

mounted system which covers the eyes, with two tiny screens in front of the eyes onto which pictures from the cameras are projected. The cameras can focus on objects at any distance down to two inches, and they can magnify by up to 25 times.

The LVES magnifies the centre of a scene and enhances its contrast, to compensate for the reduced effectiveness of the macula.

The processing required is carried out by a hand-held box, the technology of which was originally developed by Nasa to cope with data relayed from satellites.

But the scientists at Johns Hopkins decided that the same system, allied to a virtual reality set-up, could compensate for all sorts of visual defects, including extreme nearsightedness.

Another benefit of the system for Dr Thompson is that his children love seeing him using it. "Naomi and Joe think it's great fun because I look like something out of *Star Trek* when I'm wearing it," he said.

Shepherd to shake up teacher training

JUDITH JUDD
Education Editor

Teaching methods are to be prescribed by the Government under proposals announced yesterday for a big shake-up of teacher training. A national curriculum for teacher training will specify which methods trainees should be taught, what knowledge they need of a particular subject and how they should control a class.

Those colleges and universities which fail to meet the requirements will lose accreditation for their courses and could also lose funding if they are marked down by inspectors.

New rules in English and maths will be in place for primary trainee teachers from next autumn. Later the curriculum will be extended to include primary science, and English, maths and science for trainee secondary teachers.

Ministers believe that too many schools are still using progressive teaching methods. The proposals aim to ensure that teachers are taught, for example, how to use whole-class teaching and phonics - deciphering words through sounds - in the teaching of reading.

The Office for Standards in Education will decide which methods are the most effective.

Gillian Shepherd, the Secretary of State for Education, said she was struck by the findings of an Ofsted report which showed that 50 per cent of newly trained teachers said they felt ill-equipped by their training.

"Over the last few years we have set about overhauling teacher training but, despite this, it has become increasingly obvious to everyone that too many newly qualified teachers, through no fault of their own, lack the teaching skills they need," she said.

Chris Woodhead, the Chief Inspector of Schools, said that some teacher-training institu-



Gillian Shepherd: 'Teachers lack the skills they need'

tions did not pay enough attention to well-proven methods such as phonics. He said: "It is no good for colleges to rest content... that students are exposed to some teaching, for example, of phonics. If we can demonstrate that children are learning to read well, effectively through the use of these methods, teachers will recognise that their previous antipathy to the use of phonics was misplaced." The Teacher Training Agency, a quango, is being asked to draw up tighter rules on training and to ensure that colleges develop more courses in specialist subjects. Inspectors have complained that primary teachers do not have enough knowledge of the subjects they teach.

Nigel Gates, of the Association of University and College Lecturers, said: "I am dismayed... Most of us are [already] doing what is in the document, implicitly rather than explicitly."

David Blunkett, Labour's education spokesman, said: "The Tories have failed the teacher-training test. They have taken 17 years to come up with serious proposals on what is taught in teacher-training colleges."

Reading: What new teachers should know

Examples of the "essential methods of teaching and assessing reading":

- systematic use of phonics;
- how to improve vocabulary and spelling so pupils progress from reading words to books;
- how to teach whole classes, groups and individuals;
- structure, vocabulary, grammar and punctuation of standard English. Pupils also need to know the alphabet, recognise letters; recognise how letters, groups of letters and sounds match; know how sounds may change according to the position of letters; and, use grammar to understand text.

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Black into white makes theatre history

DAVID LISTER

Lionel Bart took numerous liberties with Charles Dickens when he put *Oliver* on stage in 1960. Now Sir Cameron Mackintosh, producer of the latest revival, has taken a liberty with both Bart and Dickens — and written a footnote in theatrical history.

Sir Cameron's newest cast change has given the role of Nancy to Sonia Swaby, who is black. It is certainly the first time a black actress has played the role in the west end or on film. And suddenly the possibilities for multi-racial casting look limitless.

Increasingly in recent years black actors and actresses have been cast in Shakespeare, particularly at the Royal Shakespeare Company whose current production of *Julius Caesar* has Hugh Quarshie as a black Mark Antony. But in mainstream theatre examples have been extremely rare.

Now Sir Cameron, who personally presided over the Nancy casting, has changed that.

Quite where theatre and film directors go from here is intriguing. If a black actress can play Nancy, one of the best-known characters in English literature, and a character who was undoubtedly white, then why

A black Nancy has scored a hit in *Oliver*, but will there be a black Emma and Cathy as well?



Crossover: Multi-racial acting cast, left to right: Laurence Olivier plays Othello, Sonia Swaby takes on Nancy in *Oliver* and Adrian Lester as Rosalind in *As You Like It*

should a black actress not play Jane Austen's Emma or Thackeray's Becky Sharp or Charlotte Brontë's Jane Eyre or Emily Brontë's Cathy? Where would a white Heathcliff and a black Cathy leave Emily Brontë's hints

of passion aroused by Heathcliff's dark complexion?

For with the new possibilities come old concerns. Black actors and actresses are increasingly appearing on the British stage, but more often than not in

new work or minor roles in the great literary works. It is too confusing for audiences, directors have claimed, to have black actors playing parts we know were historically or by centuries of literary convention,

white. We know that Henry the Fifth was not black, just as we know that Blanche Dubois was not black — and how the texture of *A Streetcar Named Desire* would change if she were played by a black actress. But neither

was Bill Sikes's girlfriend black. So is every role up for grabs by performers of all colours?

The question has perplexed even the most progressive and thoughtful directors. John Caird, a former RSC associate

director, once told me that though he was a proponent of multi-racial casting and had a brilliant black actress in the company, he would not cast a white Romeo and a black Juliet "because then you've got

West Side Story". With Sir Cameron's bold move, privately described by Equity officials as "courageous", that sort of worry may be a thing of the past. Audiences at Ms Swaby's first few performances have delighted in her portrayal. British audiences are perhaps becoming colour blind.

Equity's spokesman Martin Brown described Sir Cameron's casting of Sonia Swaby as "marvellous and very forward looking". He added: "We have a very clear policy on integrated casting. Performers should be cast on their talent alone, not on ethnic origin, so we absolutely applaud the casting of a black Nancy. I can't think of something like this happening in the West End before."

The new thinking in multi-racial casting begs other questions. While Sir Cameron may have proved a liberalising factor in black playing white, it still seems unlikely that we will see a white actor following in the footsteps of Olivier, Schofield and Gambon and playing *Othello* at a national company. The artistic directors of both the RSC and the National Theatre remain unwilling to risk offending sensibilities by casting a white actor in the role.



Here's a novel way to help the unemployed; or more literally a poetic way to help the unemployed. Sinclair Stevenson's anthology *Poem for the Day* — 366 Poems, Old & New, Worth Learning by Heart — is sponsoring an unusual means of raising poetry awareness for The Poetry Marathon on Sunday 13 October in London's Little Venice. £10 is being offered to unemployed people who can recite a poem of 14 lines or more that they have learned by heart. There is also an offer of £5 each to the first 50 people under 18 who recite a poem. And to think there was a time, long ago, when we used to memorise the stuff for pleasure.

I don't know how much of an advance his publishers have given the estimable Bill Bryson for his next travel book recording his hike along the 2157 mile Appalachian Trail. But judging from his first dispatch (to the *Waterstone's Magazine*), it sounds as if he needs danger money.

"The woods were full of perils," he writes, "rattlesnakes and copperheads, bobcats, wolves, black bears, wild boar, even the occasional deranged moose. I learned of a man who had stepped from his tent for a midnight pee and was mistakenly, but savagely, attacked by a hoot owl — a hoot owl for Christ's sake — and of three people crushed in their tents by falling trees or limbs..."

"Then there were all the diseases I could get — schistosomiasis, giardia, Lyme disease. Lyme disease results from the bite of a common deer tick smaller than a pinhead. If undetected it can lie dormant in the human

body for years before erupting in a fiesta of symptoms that can include chronic fatigue, nausea, facial paralysis, meningitis, brain tumours, dizziness, cardiac irregularities, shortness of breath, achiness and — not surprisingly — depression."

Accordingly, I suggest an advance of hoot owl and deer repellent and a six month supply of Prozac.



Kate Beckinsale, who is Emma in the ITV show.

The pattern is set: classic book; classic serial; book of classic serial of classic book. Following the success of last year's *The Making Of Jane Austen's Pride And Prejudice* comes the "sequel", *The Making Of Jane Austen's Emma*. The television adaptation by Andrew Davies is on ITV in November, coinciding with the book publication by Penguin. Sue Birtwistle, who produced the adaptation and put together the book with Susie Conklin, says: "With *Pride And Prejudice* we went over material retrospectively in order to produce a book. This time we got everyone on the set to keep diaries."

DAVID LISTER

DAILY POEM

On Watching a Cold Woman Wade into a Cold Sea

By Anne Stevenson

The way that wintry woman
Walked into the sea
Was as if, in adultery,
She strode to her leman.

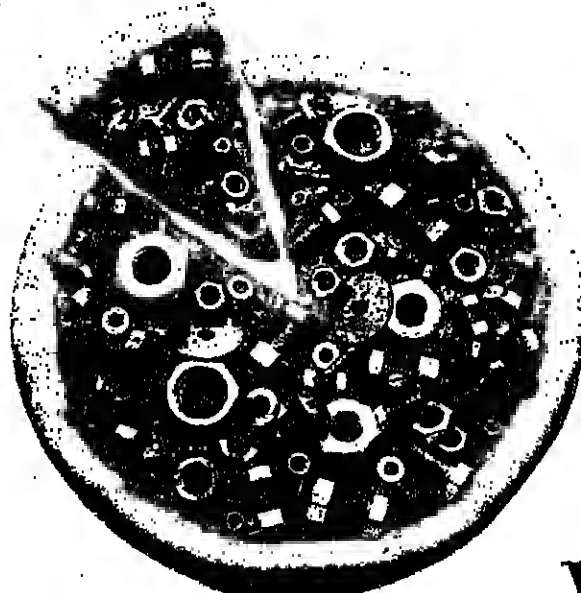
Something in the way she
Shrugged off her daughters,
Moping by the sea's hem
As if they were human

But she of the pedigree
And breed of Poseidon,
Slicing through the breakers
With her gold plated knees,
Twisting up her hair
With a Medusan gesture:

Something in the augury
She took from her nature
Made women look at women
Over stiff cups of tea,
And husbands in their season
Sign suburbanly to see her.

Oh go dally with your children
Or your dogs, naked sirs!
The venom of the ocean
Is as kindness to hers.

Anne Stevenson was born of American parents in Cambridge in 1933 and at the age of 21 returned to this country to settle permanently. OUP publish her *Collected Poems* this week, the result of over 40 years of poetry and 10 collections, with the choice made by the author herself of the poems she wishes to preserve. Her poetry benefits from an open window on two cultures and two literary heritages. Stevenson's controversial biography of Sylvia Plath, a fellow American and fellow poet, was published in 1989.



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French travails: Maastricht rules and tax cuts dominate finances, while ruling coalition frets over its electoral prospects

Single currency calls the budget tune for Chirac

Paris - The French government nailed its colours to the mast of a single European currency yesterday, publishing a draft budget for 1997 that envisages a reduction in the domestic deficit to the 3 per cent of GDP required to meet the Maastricht criteria, writes Mary Dejevsky. It also offers a start to a promised five-year programme of tax cuts.

Approving the draft at yesterday's cabinet meeting, President Jacques Chirac said the budget was "compatible with France's European commitments and in line with the objective of harmonising French and German policies". He said it was the first time a real effort had been made to halt the rise in public spending.

The projected deficit for 1997 is 283.7bn francs, out of total spending of F1,552.9bn. The expenditure figure is the same as that planned for the current year, meaning that there is to be a small reduction in real terms, allowing for inflation. The deficit is to be reduced partly by cutting public spending through ministerial budgets, modest

public-sector job cuts and a delegation of some spending to regions. A big contribution to the cause of cutting the deficit, however, will be made by a deft piece of accounting. The draft budget confirms that F37.5bn, the entire assets of France Télécom's pension fund, will be transferred to the cashbook, in a move that may well be contested by Brussels.

An even riskier aspect is the projected reduction in the indebtedness of the social-security fund, to a total of F30bn, from more than F50bn. One of the social-security reforms introduced by the Prime Minister, Alain Juppé, last year was to bring the system into the overall state budget. It had been separately administered, with the government advancing credit to cover a deficit over which it had little control. Whether this change will enable the government to curb health spending by as much as it hopes is widely questioned.

Cash from France Télécom and various economies have allowed Mr Juppé to begin the tax cuts he promised in an at-

tempt to boost spending. Outlets of a "taxing programme" were opened on television by two weeks ago in a public relations exercise, sceptically by the public.

The first stage of the cuts, confirmed yesterday, raises the threshold at which tax is paid, to try to help the lower end. A small start has also been made to reducing the top rate of tax, from 56.3 to 54 per cent, and raising the level at which it becomes payable, reflecting the government's concern that wealthy and high-earning individuals may be choosing to move abroad. What is given with one hand, however, is being taken with the other - 8 per cent on a packet of cigarettes, up to 25 per cent on most alcohol, 7 centimes on a litre of petrol, and hefty increases in local taxes.

In response to the package, critics from right and left were unanimous that not enough was being done to restore economic confidence, and the announcement had little effect on the franc.

Leading article, page 15



Odd man out: Alain Juppé, whose government is so unpopular that President Chirac is considering forming an alliance with the Prime Minister's political enemies

Gaullists pin hopes on Juppé rejects

MARY DEJEVSKY
Paris

The unpopularity of the French government is such that President Jacques Chirac is considering the formation of a new centre-right alliance as the only chance of retaining a parliamentary majority after the 1998 elections. Such an alliance would effectively bypass the structures of the Gaullist RPR party and its coalition partner, the UDF, both of which are closely associated with the government of Alain Juppé.

The idea, which has echoes of Georges Pompidou's tactics in the approach to the 1973 parliamentary elections, has been discussed at meetings of leading politicians and broached indirectly in recent press commentaries. The reasoning is that a grouping headed personally by Mr Chirac could embrace popular figures such as the former prime minister Edouard Balladur, the former interior minister Charles Pasqua, and the former economy minister Alain Madelin, to help front the campaign.

All three win consistently high points in opinion polls, but are cold-shouldered by the hierarchies of the RPR and UDF and have no place in Mr Juppé's government. A fourth "dissenter" whose support is being solicited is Philippe Séguin, the anti-Maastricht maverick who remains hugely popular despite being politically neutralised as the chairman of parliament.

None of the four has made any secret of their political differences with Mr Juppé, which are as personal as they are political. A recent breakfast meeting between Mr Juppé and Mr Pasqua lasted 15 minutes, barely long enough, one observer said, for them to down an espresso. A lunch meeting between Mr Juppé and Mr Balladur lasted longer, but ended with a smiling Mr Juppé saying that there was broad agreement, and a stony-faced Mr Balladur leaving in silence.

Both Mr Balladur and Mr Pasqua were left out of Mr Juppé's government after they lined up against Mr Chirac in last year's presidential campaign. Mr Madelin was sacked a year ago for advocating just the sort of tax-cutting policies that are

now proposed. Until now, the influence of the "dissenter" has been limited by their inability to agree a common platform against Mr Juppé. They have spent much time sniping at the failure of government policies, especially to reduce unemployment. And although they have recently started to meet in public - Mr Séguin lunched last week with Mr Balladur and Mr Pasqua shared a platform at the weekend with Mr Madelin - policy differences remain.

What the four have most in common, aside from their dislike of Mr Juppé, is loyalty to Mr Chirac, and it is this that could be mobilised in the cause of retrieving the parliamentary elections for the centre-right.

Although legislative elections are more than a year away - they are due in spring 1998 - the RPR/UDF coalition is already fearful on two counts. It is worried that the 80-per-cent parliamentary majority it won in 1993 could be overturned by the left.

It also fears that a strong showing by the extreme-right National Front could leave the front with the balance of votes in a hung parliament.

Both these dangers were illustrated last weekend, when the Minister for Francophone Affairs, Margie Sudre, was soundly beaten in a by-election, and the National Front performed strongly in two local elections.

A "presidential" alliance would enable the centre-right to enter the elections on the back of Mr Chirac's personal popularity, harness popular "dissenters" to the campaign, and allow Mr Juppé to remain in office until the elections to carry out the "necessary, but disliked" reforms.

The disadvantage for Mr Chirac is that it would draw him back into a party political fray that he has eschewed since taking office, regarding it as the President's job to represent "all the French". For Mr Juppé, the disadvantage is even greater, which is why he is very discreetly opposing the idea. Not only would it leave him to take responsibility for government failures, but it would inevitably deot his authority as leader of the Gaullist party, the reserve power base he had planned for his post-prime ministerial existence.

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هذا من الأصل

Germans to join new Bosnia peace force

CHRISTOPHER BELLAMY
Defence Correspondent

Britain will play a pivotal role in the new multinational force which will replace I-For, the peace implementation force in Bosnia, after 20 December, the Secretary of State for Defence, Michael Portillo, said in Sarajevo yesterday.

Volker Ruhe, his German counterpart, said Germany would do the same, reaffirming Bonn's commitment last week to put troops into Bosnia — their first front-line role abroad in half a century — and his belief that an international force should stay in Bosnia for a further year.

The defence ministers arrived as international monitors continued to supervise the counting of votes cast in Saturday's elections. Bosnia's Muslim President, Alija Izetbegovic, has been confirmed as the first Chairman of the three-member Bosnian presidency.

The Serb nationalist candidate, Momcilo Krajisnik, came second and the Croat, Kresimir Zubak, third. The results of the other ballots, for the all-Bosnia assembly, the presidency and assembly of the Serb half of Bosnia, the assembly of the Muslim-Croat Federation, and the federation's 10 cantons, will be announced later in the week.

The new multinational force is expected to be called Fo-For — Follow-on-Force, according to Nato sources. Britain will provide 240 personnel in the new Fo-For headquarters in Sarajevo, including the new deputy commander, a lieutenant-general who will be responsible for



Victory road: A jubilant Bosnian celebrates the success of President Alija Izetbegovic in the country's first post-war elections

Photograph: Reuters

land operations. The increased German role in the Nato-based force demanded by Mr Ruhe is more controversial, while senior United States sources also indicated the US would provide a significant component — co-

ordinating the American government's refusal to discuss the matter. "My guess is it will be done at sixteen," a senior US official said last week — a reference to the full 16 Nato members. "It is clear there will be a new

mandate and Germany will show solidarity and play a meaningful part," Mr Ruhe said in Sarajevo at the start of a joint visit to British and German troops in Bosnia and Croatia. Germany has 4,000 troops

in Croatia, but few in Bosnia. "I think it should be limited to one year, but this must be discussed at the political level. This time we want to be stationed in Bosnia itself," Mr Ruhe said. Last week, he said an inter-

national military force should stay in Bosnia until at least October 1997, to ensure the right conditions for reconstruction, freedom of movement, and rebuilding confidence and fostering democratic attitudes.

Following the postponement of the municipal elections, a big international military presence is likely to be required until these are held in November or next spring.

Mr Portillo said the "de-

ployment of the new headquarters carried no significance for decisions on post-I-For arrangements", which he considered would be premature at this stage. But the continued ban on any discussion of arrangements after 20 December appears to be increasingly absurd deference to US sensitivities before the 5 November presidential elections. It is well known that the major Nato powers have well-advanced plans for a follow-on force. There are 58,000 I-For troops

British soldier dies

A British soldier died yesterday after being hit by a mortar shell near the Croat town of Split, the Ministry of Defence said. Private Simon Jones, 25, of the Royal Logistic Corps, was one of six British soldiers attacked by about 30 Croatian youths armed with baseball bats. The MoD said the matter was being investigated.

in Bosnia. The plan for a follow-on force envisages three brigades of about 7,000 each, but capitalises on the flexibility of military organisations.

Bonn (Reuters) — The German government yesterday stood by its plan to start sending home 320,000 Bosnian refugees next month despite criticism from the United Nations refugee agency and humanitarian groups. "We are of the opinion that the repatriation can begin on 1 October," an interior ministry spokesman said.

De Klerk knew of secret hit squads, says assassin

MARY BRAID
Johannesburg

Eugene de Kock, the self-confessed apartheid state assassin, yesterday told the Pretoria Supreme Court that FW de Klerk, despite his denials, knew covert state military hit squads were operating while he was president.

De Kock, former commander of the infamous secret Vlakplaas security police unit, said the former president had given the order to attack the Frankel, an apartheid "independent homeland" in 1993, and Vlakplaas had carried it out. The incident, in which five children died, almost derailed the peace process.

"De Klerk cannot say he did not know that covert organisations existed," said De Kock, who is pleading in mitigation of sentence after being found guilty of 89 charges, including six murders. "Who did he think was going to carry out that attack?"

De Kock's allegations came a day after he implicated former president FW Botha and former ministers Pik Botha, Magnus Malan and Adriaan Vlok, and an array of generals and high ranking police and defence force officers. Last month Mr de Klerk told the Truth and Reconciliation Commission that Nationalist Party governments had never authorised murders or assassinations.

De Kock, the most senior policeman to be convicted in South Africa, had promised that if he went down, others would go with him. He aims to show he was only part of an elaborate, secret, state-backed operation authorised from the highest echelons of government. But so far he has offered no hard evidence which would nail generals or former ministers. He claims that Vlakplaas had destroyed documentation.

The real value of his testimony is the pressure it exerts upwards. The attorney-general

is said to be following the proceedings closely. More captains and colonels will now face criminal charges, and are expected to turn state's evidence or apply to the Truth and Reconciliation Commission for amnesty. Either way they will implicate those above them. Several of the generals De Kock has fingered were already subpoenaed to appear before the commission. Each step takes the new South Africa one step closer to the apartheid regime's Security Council in which the president and some of his ministers served.

The commander has alleged that his immediate superior, Brigadier William Schoon, instructed him to murder and to bomb — on the authorisation of FW Botha.

De Kock said: "If it was not for the National Party being in power we would have been arrested long ago and if they were still in power I would not be in court today."

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Young at heart... He's one of Britain's richest men, but Phil Collins still claims to be 'an ordinary bloke'. In an exceptionally frank interview, he talks to Cole Moreton about money, sex and fame

A rum business: family feuds are shaking the House of Bacardi to its foundations. John Carlin tells a tale of proud Cubans riding for a fall

Beyond The Piano: Lee Marshall reports from Italy on what Jane Campion did next



Sun, sea and ice: researchers are flocking south for Antarctica's brief summer. Fred Pearce rejoices in science's favourite continent

Plus: John Wells at the Fashion Café; and a used car dealer reveals the tricks of the trade

IN THIS WEEKEND'S INDEPENDENT ON SUNDAY

international

Kurdish conundrum: Key players test how far victor will go with Saddam



Oil convoy: Turkish trucks wait in Habur, the only crossing between Turkey and Iraq, where every day about 1,500 vehicles drive over the border to buy fuel which is then sold in Turkey. Strong oil prices have slashed budget deficits of Gulf Arab states to their lowest ever level. Photograph: AFP

Allies set to quiz Barzani

HUGH POPE
Istanbul

Masoud Barzani, who won the power struggle in Iraqi Kurdistan, arrived in Ankara yesterday to meet Turkish and US officials anxious to test how far he will go in his tactical alliance with President Saddam Hussein.

Changing his Kurdish costume for a suit may help Mr Barzani little in dealing with a diplomatic tangle in which different goals are being pursued by the US, its allies in the Turkish establishment, and the pro-Islamic, pro-Iraqi senior partner in Turkey's coalition government. US diplomats refused to comment on the meeting between Mr Barzani and Robert Pelletreau, the State Department's senior official for Near Eastern affairs, planned for

late last night or this morning. State Department spokesmen outlined two goals for Mr Pelletreau. The Americans want to bring Mr Barzani back into talks with Jalal Talabani, whose Patriotic Union of Kurdistan (PUK) was routed in the recent fighting in northern Iraq.

The Americans also want to tempt the Iraqi Kurds away from Baghdad. They are furious that not only did the offensive by Mr Barzani's Kurdish Democratic Party break ceasefire negotiations, but that he revealed a close relationship with President Saddam. In the first two days of fighting, at least, Iraqi armour played a decisive part in the battle for the Iraqi Kurdistan capital, Erbil.

Washington, fearing Iraqi agents would have a free hand in the north, ended aid pro-

grammes for the Iraqi Kurds, and covert operations against Baghdad based there. It also withdrew its token military presence from Zakho, which prompted the withdrawal of many Iraqi Kurds and aid workers for foreign organisations.

The KDP says the alliance with Iraq was brief and tactical, but even if Mr Barzani agrees to talks on an equal basis with Mr Talabani, it is by no means clear how easy it will be to put clear water between himself and Baghdad.

After President Saddam lifted a four-year embargo between Arab and Kurdish parts of the country, checkpoints have disappeared and the populace has been allowed to return of cheap fuel before the mountain winter, Iraq, which used to supply petrol at two

dinars (2.5p) a litre, is selling it for only a twentieth of, or virtually free. In a place as poor as Kurdistan this makes a big difference. Travellers say food prices in Iraq are dropping because it is easier for Kurds to sell meat and other products in territory held by Baghdad. While there is no sign of an increased Iraqi security presence in Kurdistan, few believe Iraqi agents can be kept out.

Mr Barzani's first meeting yesterday was with Tansu Ciller, Turkey's Deputy Prime Minister and Foreign Minister, who stressed its military's prime concern, the need for an ill-defined "security zone" to protect the Turkish border from attacks by Turkish Kurd rebels of the Kurdistan Workers' Party. Mrs Ciller also spoke of Turkey's wish to see the Turkish-speaking

Turkoman minority accepted as a partner in any future northern Iraqi local administration. It is unclear whether Turkey believes its interests are best served by a military alliance with Mr Barzani, whom they have always favoured over the now more pro-Iranian Mr Talabani, or by a renewed arrangement with Baghdad, with which it is also talking.

If there is foreign interference in northern Iraq, the Turks want it to be their own. After the withdrawal of foreign non-governmental organisations, always disliked for their pro-Kurdishness by Ankara, Turkish officials say they are pushing hard for the Turkish Red Crescent to be accepted by the allies as the principal vehicle of aid distribution to the people of northern Iraq.

Honecker widow refused pensions

IMRE KARACS
Bonn

The German welfare state has turned its back on the pleas of a poor widow, Margot Honecker, a cobbler's daughter, erstwhile culture minister and the woman behind the man who built the Berlin Wall, yesterday lost a five-year court battle to regain her pensions.

Now aged 69 and living with her daughter in Chile, Mrs Honecker had been suing the German state for her monthly entitlement of 900 Marks (£390) and an additional widow's pension of DM1,700. As an "anti-fascist combatant", her husband had received the latter after his involuntary retirement in 1989. However, in April 1991 payments were suspended, because the Honeckers had meanwhile fled from reunified Germany to a vanishing country called the Soviet Union.

That was only the beginning of the former first couple's tribulations. A year later a court in Berlin decided to restore the pensions, about the same time as Honecker returned to Germany to face trial for the murder of a policeman in the 1930s. The trial was eventually suspended because of his faltering health, and the couple were allowed to emigrate to Chile.

In May 1994 the former East German president died of cancer, and Mrs Honecker again applied to German social security, to no avail. The case reached the highest court on such matters yesterday and was dismissed.

It was a judgment Honecker and his Politburo chums ought to have applauded. The East German constitution banned the "export" of pensions and as Mrs Honecker was claiming on the basis of East German law, the West German judges had no option but to turn her down. Socialist justice prevails.

During her government career, Mrs Honecker enthusiastically enforced ideological purity, consigning cultural figures who sailed too close to Western winds to penury. Now that the winds have changed, she gets the opportunity to indulge in a proletarian lifestyle.

Shepherds living in the shadow of Saddam

Patrick Cockburn meets villagers facing two enemies: starvation and Iraq

Shilah, northern Iraq — Even by the standards of Kurdish villages the people of Shilah are poor. They live in a straggle of 26 one-storey stone houses with mud roofs near the town of Khoi Sanjaq on the plain beneath the Kurdish mountains. Just at the moment, the villagers say, their concerns are that their only water pump has failed and fear that Saddam Hussein may come back.

"There used to be Iraqi soldiers in a camp two miles from here," said Wali, a youngish man who belongs to a three-member committee which represents the village. "We were not free to do anything. We did not dare even light a fire at night because they would shoot at us with artillery."

Life for the 155 people of Shilah, mostly shepherds herding 800 sheep and 50 cows, was always hard. The stream on which they and their flocks depend often runs dry. The outside world has affected their lives mostly through acts of extreme violence. "Once, in 1985, an Iraqi helicopter came and killed a man and some of his sheep," said Younis, another villager. "We don't know why."

Sitting with a dozen other villagers in a house which serves as a community centre, Wali revealed that in 1990 he had been drafted into the Iraqi army and was captured in Kuwait. "There was no fighting," he said. "The whole army was waiting to surrender. They kept me for three months. When we came back to Iraq all the Kurds were put in Abu Ghraib jail outside Baghdad for five days and then released."

Despite living close to starvation, the topic which most interested the Shilah villagers was the return of Saddam Hussein. "We heard in Khoi Sanjaq that he was coming back with

his tanks," said Younis. "We hope the allied forces will destroy him. Nobody wants him."

Once, in 1988, another villager recalled, two young men from Shilah named Abdul Khaliq Khalid and Salaam Aziz, who were doing a course in agriculture in Khoi Sanjaq, were arrested and killed by Iraqi security men as part of the so-called Anfal Operation in which at least 100,000 Kurds died.

Since the Iraqi army left in 1991, Shilah has received a little help from the outside world. Unicef has erected two prefabricated buildings as a school. Another charity has given villagers a small generator allowing them to pump water from the stream 400 yards away. After two months it broke down and they had no money to get it repaired. The villagers do have access to medical help, however. The nearby abandoned Iraqi army camp has been taken over by Kurds who had fled from Iran and use it as a military base. "They are good neighbours and allow us to use their hospital," said Wali.

We were in Shilah, which can only be reached by a rocky track, just negotiable by a car, because Kanan Mufid, the director of archaeology for Kurdistan, had told us in Erbil, the Kurdish capital, that the villagers were digging for treasure in a nearby ancient ruin. He thought they were encouraged by merchants from Iran. "People from the city did come and dig for 10 days," said Wali. "They even brought armed peshmerga (soldiers) with them. On the tenth day they used mechanical excavators before they were stopped." He added that nobody in Shilah believed in buried treasure, although 10 years before a farmer from the village had found a golden ring.

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State steps in to shore up Sydney Olympics

ROBERT MILLIKEN
Sydney

Four years before the millennium Olympic Games are due to start in Sydney, the Australian organising body has been shaken by a political upheaval designed to shift control of the games from private enterprise to government.

Barely six months after his appointment as president of the Sydney Organising Committee for the Olympic Games, John Illiffe, one of Australia's leading businessmen, has resigned.

His replacement at the head of the body charged with staging what is expected to be the biggest Olympics so far is Michael Knight, Minister for the Olympics in the New South Wales state Labour government.

The two men are worlds apart in their approach to planning one of the most intricate international events Australia has hosted. Mr Illiffe is chairman of Woolworths, a retailing giant in Australia, and holds senior positions with other companies. Mr Knight is a wheeler-dealer politician from the Labour Party's right wing.

The sudden unseating of Mr Illiffe appears to have come about after Australian Olympic officials were dismayed by the logistical disasters involving transport, communications, security and training of volunteers at this year's Atlanta Olympics. The Sydney Olympics will be held over a fortnight from 15 September to 1 October 2000.

The Atlanta Olympics were the first, and possibly the last, games to be funded and organised entirely by the private sector, with no involvement from city, state or national government. Mr Illiffe is the second president of the Sydney organising committee since its inception three years ago to come from the business world;

Australian officials believed earlier that only private enterprise had the expertise efficiently to stage a modern Olympic Games. The fiasco at Atlanta - poor security, chaotic transport arrangements for competitors and media representatives and problems with the computerised system of reporting results - has forced Australian officials to think again.

Mr Knight's replacement of Mr Illiffe reflects a new philosophy that the 2000 Olympics will work only if there is the guiding hand of government at the top. In this, the Australians have been supported by the International Olympic Committee and its president, Juan Antonio Samaranch, who let it be known in Atlanta that the Olympics had become too big and unwieldy to be left to private enterprise.

Mr Samaranch was reported as being unimpressed by Mr Illiffe during his brief tenure. "Where did you get him from?" he is said to have asked Australian officials in Lausanne in March after Mr Illiffe had made a speech lasting nine seconds - his first as Sydney organising committee president.

It is too early to tell what the new approach will mean in practice. The New South Wales government already had a stake in the Olympics by undertaking to build infrastructure such as new sporting venues, roads and a railway line to the main Olympic venue at Homebush Bay, 14 kms from the centre of Sydney, and to underwrite the cost of running the Games, estimated at A\$2bn (£1.05bn), if they lose money.

But the business world has reacted with alarm to Mr Knight's takeover, because of what it sees as the deadening impact of too much power in government hands. And, after the sale of television rights, it is business sponsorship that will make or break the Olympics financially.



Strong arm of the law: A Russian militiaman beats away a young fan trying to get a closer look at the rock star Michael Jackson in Moscow yesterday. Photograph: Reuters

Panic in New Zealand as first PR poll looms

DAVID BARBER
Wellington

New Zealand, scene of the developed world's most radical economic reforms over the last 12 years, is about to undergo an equally dramatic political experiment.

The country steps into the political unknown in just under four weeks with the first general election under proportional representation, after ditching the Westminster first-past-the-post system of the past 140 years.

Most voters have little idea how the system will work and even less due as to the shape of the new government after the poll on 12 October. The only certainty is that the stranglehold on power the conservative National and Labour Parties have enjoyed for the last 58 years is over.

The Mixed Member Proportional (MMP) system used in Germany, adapted for use here after a referendum in 1992, was designed to give minor parties more seats in parliament, so a

coalition is inevitable - and no party is likely ever again to be able to push through unpopular radical reforms resembling those of the last decade.

There is no doubt New Zealand First and the NZ Alliance will increase the four and two seats they held respectively in the old 99-member House of Representatives. Either could hold the balance of power in the expanded 120-seat parliament.

The electorate's dilemma is that the party leaders are all refusing to spell out who they might work with until the election is over. The confusion is compounded by the fact that voters will have two votes - one for a constituency candidate and the other for a party.

The party vote alone will decide the make-up of parliament, a fact that two-thirds of voters do not understand, according to a recent poll, which indicated that people were likely to vote on traditional lines for the candidate from their favoured party and cast their other ballot for another party as a second choice.

This revelation caused panic in the ranks of Prime Minister Jim Bolger's ruling National Party, which leads all the opinion polls but not by a big enough margin to form a government on its own. "National needs your party vote very badly indeed," Mr Bolger told supporters at his formal campaign launch on Sunday. The National Party, which has governed since 1990, also badly needs a coalition partner other than the United Party whose seven MPs (formed by National Party MPs) have propped it up since July 1995.

Old party allegiances mean nothing in the new political environment. New parties have been formed and more than a dozen MPs have changed sides over the last couple of years in preparation for MMP.

Heleen Clark, leader of the Labour Party, which is challenged by NZ First for second place in the polls, rules out a coalition with National. Mr Bolger says that he will talk to anyone.

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significant shorts

Eleven North Koreans found shot in the South

after their submarine landed in the neighbouring state. The men were possibly killed by one of their number who also used the gun on himself, a South Korean defence ministry spokesman said. A twelfth was captured after a massive search while another eight or nine were still at large, the spokesman said. Seoul described the North Koreans as infiltrators, and said the incident was a breach of an armistice agreement that ended the 1950-53 Korean War.

Richard Lloyd Parry - Tokyo

An ex-French minister is to be tried for war crimes

an appeals court ordered yesterday. Maurice Papon, 86, is accused of sending Jews from wartime France to their deaths in Nazi extermination camps. Mr Papon, who was Paris police chief in the 1960s and the budget minister in the 1970s, allegedly ordered the deportation of 1,690 Jews, including 223 children, in 1942-44 when he was secretary-general of Bordeaux. Reuter - Bordeaux

Rebels in Burundi say 10,000 have been killed

by the army since its coup on 25 July and they called on regional African states to maintain their embargo. The army said soldiers found the bodies of the Roman Catholic Archbishop Joachim Ruhuma and a nun eight days after they were killed in an ambush in central Burundi.

Reuter - Bujumbura

Italians should not write off northern separatists

President Oscar Luigi Scalfaro warned politicians of both houses yesterday. He said the failure of the Northern League's leader Umberto Bossi to draw big crowds at secessionist rallies did not mean northerners were not discontented. Police meanwhile searched League offices and homes of members at the behest of magistrates investigating the movement on suspicion of having violated Italy's constitution. Mr Scalfaro's address underscored his concern over last Sunday's "declaration of independence" by the secessionist firebrand Bossi.

Reuter - Rome

Polio in Albania has killed seven

in an outbreak which has also stricken 66 others, the World Health Organisation reported. The outbreak started in the north-west in April, and spread to the capital Tirana and the rest of the country. The number of cases in Albania is higher than the number reported in all the rest of Europe this year. Reuter - Copenhagen

Condom shops are booming in Sri Lanka

where no villager has to travel for more than four miles to purchase one, the Family Planning Association said. Accessibility, plus a new wave of awareness on family planning and Aids, have prompted Sri Lankans to snatch up a record 8 million condoms last year, up by half a million. Popular brands include "He Man", "Preventor", "Rough Rider" and "Moon Beam".

Reuter - Colombo

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Former lover casts Eastwood as villain in \$2m fraud suit

TIM CORNWELL
Los Angeles

In *The First Wives Club*, which opened in American theatres this week, three comedienne on the plus side of 50 – Goldie Hawn, Diane Keaton, and Bette Midler – delight in roles as scorned women past their prime who take their cheating husbands to the cleaners.

A different version of this tale is playing in a courtroom in Burbank, California. Sondra Locke, long-time co-star and main squeeze to Clint Eastwood, has cast herself as a typical victim of the alleged Hollywood practice of giving a cold shoulder to actresses of a certain age.

At 48, Locke is suing Eastwood, her partner of 13 years, for \$2m (£1.3m). She claims the 66-year-old actor, in stark contrast to his usual role of silent knight with a six-gun, persuaded Warner Brothers to offer her a fake directing deal, in a scheme to detach himself from the middle-aged Locke with the minimum financial pain.

"Women in Hollywood are marketable for a very short period of time," she told the jury. She is suing Eastwood for

fraud, interfering with her ability to earn a living, and breaching his financial duty.

The couple, by all accounts, met and fell in love in 1975. In the western classic *The Outlaw Josey Wales*, Locke played the waifish type favoured by cowboys, and went on to star in five other Eastwood films. But in 1989, there was a bitter public break up.

As Eastwood's chosen co-star, Locke had enjoyed what she called a perfect life with a man she called "my Prince Charming". The couple shared houses in Carmel, where Eastwood served as mayor, and in the celebrity retreat of Sun Valley, Idaho. In 1986, under his wing, she got her chance at directing at Warner – making *Rambo*, the tale of an alien rodent.

Eastwood went on to father a child by Frances Fisher, with whom he acted in *Unforgiven*, the 1992 film in which he starred and for which he won two Oscars, for Best Picture and Best Director. Eastwood's new wife, a 30-year-old TV anchorwoman, is expecting her first child. Other recent film successes include *In the Line of Fire*.

Locke, by contrast, has sunk rapidly into obscurity. Eastwood insisted on the witness stand this week that he was doing her a favour when he persuaded Warner to give her a directing "development" deal worth \$1.5m. Only after four years, and after 30 projects which she proposed were rejected, she says, did she discover Eastwood had financed the arrangement with his profits from *Unforgiven*. It was a humiliating sham, she maintains, which persuaded her to settle her earlier palimony suit just as she was recovering from a double mastectomy.

Eastwood admits he covered Warner's costs. But he says he made a bona fide effort to persuade Warner of Locke's talents, citing her "noble efforts" with *Rambo*. Locke, by contrast, says he knew the deal would pigeonhole her as an inconvenient "ex" and run her career into a dead end. Eastwood, departing on the witness stand from his usual laconic self, insisted he acted like a gentleman. "I never intended to defraud anyone," he said. "It just doesn't make any sense ... It sounds like something out of a dime novel."

The trial continues.



Make my day: A reporter confronts Clint Eastwood as he leaves the Burbank Superior Court yesterday

Photograph: Hal Garb

Boutros-Ghali caves in over UN job cuts

DAVID USBORNE
New York

Throwing doubt on claims that he is making headway in bringing serious management reform into the corridors of the UN, the Secretary-General, Boutros Boutros-Ghali, has been forced to back away from what was to have been a first effort to cut dead wood from the organisation's staff.

The affair, which has provoked reactions ranging from fury to resigned eye-rolling in many Western missions, centres on controversial plans recently made public to send redundancy letters to only 37 members of the UN civil service at the New York headquarters.

Although Mr Boutros-Ghali has already overseen a cut of almost 10 per cent in his payroll, it has so far been achieved by wastage and voluntary

departure. Such is the job-for-life culture of the UN that the very notion of sacking an official seemed outlandish.

Faced with a rebellion from developing countries belonging to the Group of 77, the Secretary-General agreed this week to delay the lay-offs. Led by Iran, Cuba and Algeria, the Group pushed an emergency resolution through a UN committee late on Monday demanding that the General Assembly, rather than Mr Boutros-Ghali, should have the last word on any sackings.

The change of heart by Mr Boutros-Ghali, who evidently wanted to avoid a fight over the issue, was relayed to the General Assembly on Tuesday by the Under-Secretary-General for administration, Joseph Connor. It is a humiliating defeat for Mr Connor, a former chief executive of the account-

ing firm Price Waterhouse, who has been leading the battle to transform the Secretariat from a bloated bureaucracy to something resembling an efficient corporation. Only on Monday, he unveiled the first results of an "Efficiency Board" created last year to drag the UN into the modern age. Among its achievements has been the inauguration of a UN web site on the World Wide Web.

"It is a total own goal and we believe the effect on the organisation for the time being is very bad," one senior European diplomat lamented. "The Secretary General has to be in charge of his own house."

By deferring to the Group of 77, Mr Boutros-Ghali may also have played into the hands of the United States, which has vowed to oppose his election to a second term as Secretary-General, largely on the grounds

that he has dragged his feet on reform. The issue is certain to be raised by President Clinton, who will address the General Assembly and meet with Mr Boutros-Ghali on Tuesday.

Speaking just days ago to the *Independent*, Mr Boutros-Ghali asserted that he had no choice but to carry out staff cuts, in part because of budget reductions imposed upon him by the General Assembly itself.

In truth, the débâcle over the sacking of the 37 – whose number included four US nationals as well as many officials from developing countries – is indicative less of his leadership than of the nature of the beast he and Mr Connor are trying to tame. It vividly demonstrates that while the US and most European governments are ready to embrace radical reform in the UN, many of the developing countries simply are not.



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Rifkind finally spots the EMU bulldozer

There was much sense in Malcolm Rifkind's speech in Zurich yesterday. The determination of a small group of countries to press ahead with European economic and monetary union (EMU) is, conceivably, a threat to Britain's real interests in Europe and, is, conceivably, a threat to the unity of the EU.

But what took him so long? It has been obvious for months now that, whatever the domestic political and social costs, France, Germany and a few others are bent on creating the "euro" by the end of the century. It is as if the Government - Kenneth Clarke apart - has been sleep-walking. (The Americans call it "denial".) In his last heavy-weight pronouncement on the subject 10 months ago, Mr Rifkind tried to talk EMU into its grave. Then, he briefed that it was recognised throughout Europe that the project would be delayed or would collapse. We disagreed. Mr Rifkind now admits that it hasn't and it won't.

On the surface there is a world of difference between the Rifkind speech and the letter we publish today from six Tory grandees appealing to the Government not to burn its EMU boats. But, looked at another way, both statements share the same root anxieties: that EMU will happen; that Britain will not be part of it; and that nothing in Europe will ever be the same again.

To that extent, the Foreign Secretary's speech was not a Eurosceptic speech. There is nothing the Eurosceptics would like better than that the EU should be split into a federalising inner core and an outer circle of "free-trading" states.

The Rifkind speech recognises that this may be an illusion: that, unless carefully handled, radical differences in degrees of political and economic integration between EU member states could shatter the European institutions and, conceivably, the European single market.

Unfortunately, Mr Rifkind has little to say about what, at this late stage, we can do about it. There is something forlornly familiar about all this. It follows the traditional parabola of our relations with Europe in the last 50 years. First, we say "that is silly and it can never work"; then, after a long pause, we say "how dare you do it without us?"

But Paris and Bonn would be wrong to dismiss the Foreign Secretary's comments as another piece of British bomb-throwing. At this late stage in its life, this Government's actions on Europe take two forms. There are those actions that are addressed exclusively to the Europhobic gallery of backbenchers and newspapers (such as Douglas Hogg's fatuous attempt to reopen the Florence beef deal). And there are those actions that are meant to address and influence real politics beyond the Eurostar terminal. The



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Rifkind speech was in the second category. It was, in a sense, a cry for help; an announcement that, after the nonsense of the beef war, in whatever time is left before the next election, the Government wants to talk seriously about the future of Europe.

History is repeating itself in a broader sense. The Franco-German determination to push on with EMU is rooted in nostalgia for the 1950s and 1960s when the European train forged ahead with only six carriages and without those miserable Brits pulling the communication cord the whole time. The economic arguments for EMU

may be shaky but the political will behind the project is immense. Paris and Bonn, for their different reasons, are determined that British scepticism and the expected influx of new member states should not drown all progress towards European political integration. They want a hard core of member states, built around EMU, to keep the dream of political union alive into the new millennium.

Concern about the activities of this Franco-German bulldozer is not confined to Britain. Witness the Spanish government's statement yesterday that it was unthinkable that Spain should be

left out of the single currency (and yet the present criteria make it unthinkable that Spain should be included). Italy, a founding EU member, is equally furious at being ordered into the European slow lane when it is clear from yesterday's French budget that Paris is itself resorting to creative accountancy to meet the EMU guidelines.

Our own view is one of genuine scepticism about the single currency; there are very serious unresolved democratic issues at stake, which its supporters blithely ignore. But, as Mr Rifkind's speech implicitly recognises, doubts about EMU are now largely beside the point. EMU, barring some unforeseen calamity, is going to happen. The urgent questions are: who will join and how will the EU manage relations between members of the single currency and non-members?

It is inconceivable that a future Conservative government would join EMU; it is highly unlikely that a future Labour government would join in the first wave, given the state of public opinion on the subject. None the less, Britain, as Mr Rifkind suggests, has a vital interest in shaping the terms on which the single currency is created. An EU divided between the Ins (running one monetary policy and, in effect, one economic policy) and the Outs (running disparate economic policies) is something unprecedented and hazardous, just as the Foreign Secretary warns.

How will the various EU institutions deal with it? What safeguards can be taken to prevent the single market from being shattered?

The Government is right to raise these issues; other member governments ought to take the warning seriously. But the Government will not be taken seriously if it simultaneously continues to play the Eurosceptic gallery by starting a second, unnecessary beef war.

What on Earth's the matter?

Does matter matter? Apparently the cold dark stuff scientists thought filled space may not be so cold and dark after all. Research showing that the first galaxies are older than we thought shoots holes in the cold dark matter theory - possibly black holes.

It sounds baffling and arcane. But take heed. NASA astronomer George Smoot cashed in with his bestseller *Wrinkles in Time*. Three books of pictures from the Hubble telescope have just been published. It sounds like gobbledegook, but it's big business. The colour and temperature of the content of the cosmos could yet have an impact on our Christmas shopping lists.

LETTERS TO THE EDITOR

Our national interest lies in EU destiny

Sir: Fifty years ago today in Zurich, Winston Churchill set out a positive, internationalist vision of Europe's future - a British Conservative vision - which had a powerful impact in bringing together a shattered continent. Destructive nationalism was to be replaced by a new politics of co-operation, guided by a confident, victorious Britain.

That message holds as good today as it did half a century ago. We believe that active British involvement in a strong European Union offers our country its surest guarantee of continued influence and prosperity in the world. From Washington to Tokyo, Britain's political voice counts because we are central to, not detached from, the interests of our continent. Economically, our aspiration to be the enterprise centre of Europe depends on the existence of an integrated single market in which we play a full and active part.

Britain's future lies as a committed member of an interdependent Europe, as a country which sees the European Union as an opportunity not a threat. We have to find the confidence, as a nation and as a people, to make a success of our European destiny. The British instinct is to lead, not walk away. Our greatest patriots have never been little Englanders.

The tragedy of Churchill's Zurich speech was that, for too long, it did not inform Britain's postwar policy. We sought to distance ourselves from Europe, rather than decisively to shape it, as we could and should have done. Our caution cost us dear in the design of the new Europe. We eventually joined the European Community 15 years too late. We have been working to catch up ever since.

That is a mistake we must not make again. For us now to rule out British membership of a single currency would be to betray our national interest. To countenance withdrawal from the European Union would be to court disaster. To commit ourselves, by contrast, to a positive role in the leadership of Europe is the most fitting tribute we can pay to Churchill's Zurich vision.

Sir LEON BRITTON
PETER CARRINGTON
(Lord Carrington)
Sir EDWARD HEATH
Sir GEOFFREY HOWE
(Lord Howe of Aberavon)
DOUGLAS HURD
WILLIAM WHITELAW
(Viscount Whitelaw)
London SW1

Let's be truculent about Howarth

Sir: Politics, according to Polly Toynbee ("Defectors have only a walk-on part", 16 September) is now so value-free that Labour constituencies should jump to acquire the services of Alan Howarth. This is an argument for a political aristocracy - an aristocracy being defined as a group who expect to exercise power however they may act.

We are moving towards an Americanised political system - less ideology on the left, fewer people voting, more volatility, leaders personalised, parties run top-down, conferences replaced by media-event rallies. Plus, of course,



a new political aristocracy, overlapping the aristocracy of wealth, relying on rich backers, and able to pay a dividend in patronage.

Slipping Mr Howarth into a good seat because he is a new-found chum of "Blair's people" would be a clear example of the new patronage. If Polly Toynbee wants us to have a real democracy, she should be cheering on the truculence of those red-necked "lesser" people who oppose it.

CA BANKS
London SE6

Sir: In her article "Defectors have only a walk-on part", Polly Toynbee attributes some quotes about the former Conservative MP Alan Howarth to me, which I did not make. I know this, because when I returned her call last week I took the precaution of recording it.

Ms Toynbee claims that *Tribune* has "gleefully hounded" Alan Howarth since he defected to the Labour Party, and that I "malevolently" said that there was a suspicion "that some old-timer" (her words not mine) would retire just before the election in order to make way for him.

In fact *Tribune* has not hounded Mr Howarth. Rather, it has simply reported the facts, as reported to us and as newspapers are supposed to do. Indeed, we sent Ms Toynbee a copy of all of the news pieces so that she could be in no doubt.

As for my supposed malevolence, nothing could be further from the truth. In response to Ms Toynbee's question "What do you have against Mr Howarth?", I you have against Mr Howarth? I said that I had nothing personal against him, and that there were many people who understood that his decision to defect had been a brave one. But I also pointed out

that there were very many in the Labour Party who did not want Mr Howarth imposed as a candidate, and nor did they want to see the creation of a centre party where it frankly didn't matter where you came from or what you believed.

MARK SEDDON
Editor
Tribune
London WC1

Special needs of pupils ignored

Sir: Not only badly behaved children are excluded from school, and often their special needs are inadequately met ("More parents support 'unruly pupil' protest", 11 September). While researching precedents nationwide for my daughter, who has severe ME, I encountered several exclusions or attempted exclusions of seriously ill pupils with excellent behaviour records and sound academic motivation. Most had never so much as answered a teacher back.

If the child can be proved to be able to cope with some education, and the local education authority agrees the school placement to be suitable, disregard of the special needs code of practice to this extent is probably illegal. The reason could be league tables or money.

Also, the provision of home tuition for sick children is a national disgrace, in that it is frequently limited to three hours a week because the local authorities are so underfunded. These children

need eight hours a week at least to deliver the equality of opportunity to which they are entitled under the 1993 Education Act.

Many authorities are unwilling to combine tuition at home with partial school attendance, which these children badly need to assist re-integration into normal life and often to help their medical recovery.

One has to overcome a similar reluctance to provide the help to the 16-19 age group which the law seems to intend. One must ask why, if some allegedly badly behaved primary pupils merit instant expenditure at a rate of £14,000 per annum?

I have now, I hope, solved my daughter's education needs, but then I am a teacher very familiar with special needs legislation. Many other parents of exam candidates with chronic ill health cannot say the same, and they should contact their MP and the relevant pressure group to establish precedents in law.

Dr CAROL BLYTH
Wendover
Buckinghamshire

Blues train

Sir: Having read your Business comment on our post-privatisation railway system (17 September) it occurred to me that were Inter-City Cross Country and the Great Western Railway to merge, we might end up with an outfit called Country & Western.

MICHAEL LLOYD
St Albans, Hertfordshire

English rights in Quebec

Sir: According to your leading article of 12 September, "The fears of English-speaking Quebecers for their rights under an independent, French-speaking government have proved a significant obstacle to Quebec's secession from Canada."

English-speaking Quebecers effectively already enjoy the same rights as the majority French-speaking citizens of Quebec: a fully funded school system from nursery through university in their own language, their own social services, the right to a trial and government services in English. Montreal, where English-speaking Quebecers are largely concentrated, has four universities, two of which are English-speaking; six television broadcasting centres, two of which are English-speaking; four daily newspapers, one of which is in English.

In short, minority rights in Quebec are something of which we are justifiably proud. They are also the envy of all French-speaking minorities in English-speaking Canada.

If and when Quebec does withdraw from the Canadian federation to establish a new partnership with the rest of Canada which would maintain the present economic union, it will be because a majority of Quebecers have opted to do so through a referendum. Quebec would remain at the forefront of civilised societies, preserving the rights

enjoyed by its English-speaking community.
RICHARD GUAY
Gouvernement du Québec
Délégation Générale
London SW1

Bosses can fund minimum wage

Sir: If management in companies are so keen to ensure Britain's economic competitiveness, why not let higher and middle managers take a little drop in their weekly wage of, say, £15 and £10 respectively. This could then be used to cover the cost of a minimum £4 per hour to low-paid employees. There would be no loss of employment, our exports would remain constant, and the underpaid could gain some self-respect. Social justice would be seen to be done and firms' economic effectiveness would not suffer.

BRENDAN McMAHON
London E12

Sir: Someone working for the EU-recommended 48 hours at £4.26 an hour would earn £204.48 gross, which represents an annual salary of £10,632. Is that really "far too high" as you suggest in your leader (13 September)?

MAURICE FLASKOW
Weybridge, Surrey

Sir: Sean Woods asks whether we can stop tipping in restaurants if a minimum wage is introduced (letter, 16 September). If differentials are to be maintained, we will presumably be expected to tip the manager instead of the waiter.

JOHN V HEYES
Oxford

Hasty judgment on Caesareans

Sir: Your report "Mothers forced to undergo surgery" (17 September) raises important issues concerning a woman's right to refuse to undergo a Caesarean operation, and the life of her unborn child.

Ultimately the matter is one either for the legislature or the courts, but the circumstances of emergency in which the issues arise in any particular case make a fully informed and reasoned decision impossible. The nature of the case makes it impossible for the woman to be present or represented and there is no time for the court to hear detailed argument. In the leading case of *R v S (1992) 4 ALL ER 671* the President of the Family Division granted a declaration permitting the operation only 48 minutes after the court first heard of the matter. As Sir Stephen Brown said, the situation was desperate and doctors were concerned with "minutes rather than hours". The judgment occupies less than a page in the law reports.

A second difficulty is that once a declaration is granted and the operation is carried out, that is the end of the matter so far as the court is concerned. It cannot grant an interim declaration and reconsider the matter at leisure.

The issues are too important for the general principles governing these cases to be dealt with in this way. The Court of Appeal should be asked to consider the matter on an appeal brought either by one of the patients or the Official Solicitor. I suspect that the result will accord with the decisions in the two recent cases. If a choice has to be made between operating on an unwilling patient or the child dying, the decision must be made in favour of the child. But let the matter receive the consideration it deserves.

JOHN MITCHELL
Temple, London EC1

Be polite to the Prime Minister

Sir: I have just received a personal letter about our country from the Prime Minister ("Let the good times roll, says Major", 9 September).

May I suggest that everyone who receives the honour of such a letter should reply, as I have. It is, after all, only polite to answer letters, and it provides a healthy opportunity to express one's views on the contents. I am sure Mr Major will be overwhelmed by the response.

SARA CLARKE
High Peak,
Derbyshire

Name your own country

Sir: Gerald Gilbert (TV preview, 14 September) cannot be right that Cecil Rhodes was only the second person, after Simon Bolivar, to have a country named after him.

A moment's reflection gave me Amerigo Vespucci (USA), Columbus (Columbia), Captain Cook (Cook Islands), as well as a number of religious figures of greater or lesser historical existence: Jacob renamed Israel, St Christopher (St Kitts), St Lucia. In addition, El Salvador (the Saviour) is named after Jesus.

STEPHEN R GOULD
London SW3

diary

This is a bad year for fans of Cupid. The Romantic Novelists Association may become 'the sweet FA'

john walsh

Word reaches me that all is not well with Paul McCartney and his biographer, Barry Miles. Despite the fact that Miles's long-awaited life of the Great Mopop has been announced in the *Seeker* catalogue as published next month, it's been delayed until the spring. This is tragic news for all Wings fans, cultural analysts and those avid for the secret of Linda's vegetarian recipes. But what has caused the delay? Some dispute about who composed the Liverpool Oratorio? Some revelation about a romance with Yoko Ono? The truth is disarmingly simple: despite many urgings from author and publisher, McCartney simply has not read the bloody thing and they can't proceed until he does. Given that the book is currently about twice the size of the new Virginia Woolf biography, and that Mr McCartney is too busy to read books all that often, it's not terribly surprising. But how galling for Mr Miles, to find that the one person in the universe who should be guaranteed to take a lively interest in his *magnum opus* apparently just cannot be arsed. Worst of all is the irony of the book's sub-title: it appears to be the answer to the question "When are you going to read it, Paul?". It's *Many Years From Now*.

I spent an extraordinary Sunday evening celebrating the work of a deceased nihilist in a defunct theatre. Bloomsbury were launching *Damned to Fame*, James Knowlson's vast biography of Samuel Beckett, with a party and some readings from the master's work by a quartet of distinguished actors. Rather than consign the academic guests to a Soho wine bar, they hit on the Royal Court as the ideal site. (It was, theatre buffs will recall, the scene of several Beckettian premieres, notably *Happy Days* with Billie Whitelaw. Now it's being decommissioned for two years; £22m will be spent on gutting it and turning a 400-seat proscenium theatre into - well, a 400-seat proscenium theatre). The Court is, for the moment, in effect closed down. This means we were sitting in a drama palace that in effect doesn't exist, celebrating a man whose work exists in a temporal hinterland that takes in both birth and death.

Heady stuff - but then the whole evening was a little weird. A chap with Beckett's face (from the Modernist Writers Lookalike Agency?) stood around importantly and was revealed to be Sam's nephew, Edward. Hearing that the great artist Arluka was in the room, I hissed at a friend, "Would you know Avigdor Arluka if you saw him?" at the exact second the great man walked by behind me, his eyes flickering suspiciously. The veteran French actor Jean Martin declaimed Beckett's last work, *Comment Dire (What is the Word?)* with such ferocious, bulging rage that we feared for his septuagenarian heart (as did his sister sitting in the second row).

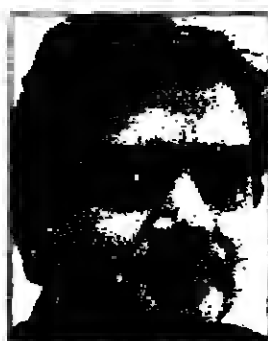
The most charming moment of the evening, however, wasn't in the theatre at all. It was a few miles away in St Martin's Lane, where several party guests had been diverted, by accident, to the Duke of York's Theatre

(that's where Royal Court productions will be held in future). Outside the gaudy billboards advertising the Ayckbourn-Lloyd-Webber *By Jeeves*, a knot of 20-odd ascetic Beckett fans gathered sheepishly and looked at their feet. They might have consulted one another as to whether some mistake had been made; but they were too shy. *Godot* fans do not, as a rule, have much to say to devotees of Bertie Wooster.

John Major isn't the only one to harass female MPs with his gross and flirtatious behaviour. While still reeling from Emma Nicholson's news of the PM's impertinent inquiries about the way she smelt, the political world was reminded on Tuesday of a legendary encounter with another swordman, at the launch of Brian Brivati's biography of Hugh Gaitskell at that notoriously louche venue, the Institute of Historical Research, you couldn't move for senior politicians (Jenkins, Benn, Hattersley) and heavyweight political commentators (Peter Hennessy, Donald Watt, Ben Pimlott) all making speeches from the floor and reminiscing about the late Labour Party chief. Then the book's publisher, Richard Cohen, made a speech in which he brought up the subject of sex in political memoirs. He told how he'd commissioned Barbara Castle to write her book *Fighting All the Way*, in which she reveals that she once went to Aneurin Bevin's flat and that Bevin had "made a pass" at her. This pre-figurational euphemism tantalised Cohen. "Barbara," he'd said, "I don't think you can say this about the great hero of the working classes, without expanding a little". A week later, an emendation arrived. Okay, directed Dame Barbara, you can change that to "made a passionate pass". Perhaps someone should have a similarly encouraging word with Ms Nicholson.

This is turning into a seriously crap year for fans of Cupid, moonlight, long-stemmed roses and men whose eyes are mischievous and mocking. First John Boon, co-inventor of the Mills & Boon industry, dies. Now, I hear, the Romantic Novelists Association is tiring of the abuse that is directed at its members by cynics, and it is going to change the name. "People look at you as if you're blue-rinsed if you say you're a romantic writer," says the RNA's Elizabeth Buchanan, "even though it's a fine tradition that's grown out of Jane Austen, the Brontës and Hardy." But what are they going to call themselves going to? "We wanted to be just now? 'The Fiction Association', but I realised the Press would call us 'the sweet FA'. So now we're waiting for suggestions from members." While they're waiting, can you help? Tell me what you think the romantic writers of the 1990s should collectively be called, and the sender of the best suggestion will get a free copy of Maeve Binchy's new novel. It will be hand-delivered by a snouldering biker in early middle age, perenzially misunderstood by his rich but stuffy family and seemingly incapable of finding love. Until now, that is...

Catholicism made us what we are



Bryan Appleyard

Why do people get so upset about Catholics? "I hate Catholics" is quite commonly heard in otherwise civilised circles. And, whenever a Catholic story is in the headlines, everybody dives in to trash the Papis or to tell them how to run their church. Now, for example, everybody feels free to demand that priestly celibacy should be abandoned.

This is a profoundly irrational state of affairs - for why should non-Catholics care? Nobody has to be a Catholic so those who are must be free to acquiesce in the rules of the church. Of course, there will be slippage in this acquiescence - notably on contraception - but, again, this is of no logical concern, other than as a matter of interest, to non-Catholics. The old attempt to blame anti-contraception Catholics for the global population crisis, and therefore accuse them of damaging the interests of non-Catholics, has long been laid to rest by the exposure of the statistical absurdity of the idea.

This all becomes even more irrational if we try to imagine substituting Judaism or Islam in all these com-

mentaries and stories about Catholicism. Impossible. Nobody would dare distill religious practice to Jews or Muslims. And yet, routinely, liberal atheists, to whom the whole thing must be no more than a lacy, incense-scented freak show, tell Catholics what to do. It is not even as if Roman Catholicism was our national church. In fact, most people, if asked, regard it as a faintly exotic Mediterranean import like polenta or tapas.

And, finally to raise the irrationality of the Catholic-bashers to the level of incurable dementia, the Roman Catholic Church is obviously the most staggeringly impressive institution ever created by man or, if you prefer, God. It has been responsible for the greatest works of the human imagination and, as transcendent think-tank, it has been responsible for the longest continuous procession of philosophical genius the world has ever known. Contemporary intellectual pygmies should think carefully before they start making even bigger fools of themselves by sniping at this extraordinary scholarly edifice. Criticise Catholicism by all means, but, trust me, you will have to work at it.

So why does Catholicism occupy so

much space? My theory about this is inspired by a remark made by Stephen Dedalus in James Joyce's *A Portrait of the Artist as a Young Man*. Asked if he was abandoning Catholicism to become a Protestant, he replies: "I said that I had lost the faith, but not that I had lost self-respect. What kind of liberation would that be to forsake an absurdity which is logical and coherent and to embrace one which is illogical and incoherent?"

Now that it has abandoned its ill-advised claims about the physical universe, Catholicism makes only one fundamental claim: that 2,000 years ago, God became man and died for our sins. All else, from the teaching on contraception to the hierarchy and the bureaucracy, follows. Other rational organisations from the same starting point are possible. But none other has been so carefully constructed by such monumental intellects.

Contemporary liberalism, in contrast, is a pretty thin affair. It makes a fairly feeble claim about the relativity of values - a claim which, in human terms, is a good deal more extravagant than the divinity of Christ - and, from that, derives a set of attitudes, none of which can logically be imposed or even advocated. This does not make anybody's heart beat faster. But contemporary liberalism does have one, not very respectable ace up its sleeve - it is, in the present climate, easy to believe and Catholicism is not. So most people, in this country at least, are, in essence, flaccid liberals. What is, I think, evident from this ideological contrast is that, to the modern imagination, Catholicism is the clearest, biggest enemy of all. In gen-

eral, Catholicism does not, like the Church of England, go in for wet, liberal compromises or gimmicks to put bums on seats. It does not, in short, shrink from the obvious truth that, if the Son of God did die for our sins, then we have no choice but to be dominated and determined by that fact.

It is this clear rationality that focuses attention on the Catholics for it makes Catholicism the absolute opposite of contemporary liberalism. Inevitably, therefore, when Catholics err - like Archbishop Roderick Wright - or appear to hesitate - as when Cardinal Hume's remarks about celibacy were wholly misunderstood by most of the press - then the critics and amateur canon lawyers dive in, convinced that the edifice of certainty is cracking.

The truth is that Catholicism is not a problem for the contemporary liberal, it is THE problem. It was the primary force in the development of Western civilisation, including liberalism, and yet, now, it is in direct conflict with most aspects of that civilisation. So, in attacking its teachings and practices, we attack something in ourselves and, as any psychiatrist will tell you, self-hatred is the most violent and destructive hatred of all.

Decoding Major's hidden agenda



Donald MacIntyre

A fifth term of Tory government could unveil a different prime minister

Just suppose for a moment that John Major won. Kenneth Clarke and Brian Mawhinney would just claim much of the credit. But think what a liberating triumph it would be for Major himself. If you doubt that, just reflect for a moment on the fun that would be had at the expense of John Redwood, and his supporters, who campaigned against Major's leadership in 1995 on the slogan "No change. No chance".

This matters because there has always been a sense about John Major - odd to say about a man who has been Prime Minister for six years - of aspiration unfulfilled. From time to time friends urge him to realise that being Prime Minister is for now and not for next year or the year after that. Equally, you occasionally, in the highest echelons of the civil service, here the muttered complaint that Major is now interested only in foreign affairs, including Europe, Northern Ireland and "party management". But that is hardly surprising: managing the party for much of his premiership has been more than a full-time job. A free Mark II John Major would have the

chance to impose his own agenda on the party.

You can see only the barest vestiges of what he might like to be in yesterday's "Moral Government" *Spectator* lecture. The headline thought, of course, is that Tony Blair has no monopoly on goodness and that there is a moral case against big government and in favour of low taxes. Never mind that taxes have gone up under the Tories or that Tony Blair has grave doubts about big government, too. Deconstructed, the speech points to rather more about the Tories election strategy and the shape of a possible fifth term than we might have expected at this stage of the cycle. Let's use a little imagination to spell out a few of the subtleties.

"We should 'look further' at a lower target once we have brought spending below 40 per cent of national income."

I'm interested, perhaps a little more so than Kenneth Clarke, in the idea that we could reduce state spending further than the very tough target of 40 per cent. But I'm certainly not going to commit myself to a figure as some of the far right do. Tony Blair hints at wholesale welfare reform but actually social security is grow-

ing significantly slower than the economy as a whole and we don't wholly accept there's a crisis. My main objective, deep in my upbringing, is low inflation. I certainly believe in cutting taxes but not at the expense of letting borrowing run out of control. And I don't - repeat don't - accept the hard right's agenda of privatising social insurance any more than doing so to the NHS.

"Government should not interfere and meddle."

This is familiar territory, of course; we don't want the state running people's lives or interfering in business. But there's also a libertarian argument on which my friend Norman Blackwell is very persuasive.

For example, believe it or not, I think we actually agree with some of the civil liberty lobby's complaints about Jack Straw's most draconian regulation of personal behaviour, noisy neighbours and so on. We don't want a busybody society.

"Giving all in society the chance to take more control of their lives including those in Labour strongholds."

You'll be hearing quite a lot more about this. One of my rhetorical themes is going to be that the Conservatives want to

help all those who are prepared to help themselves by being willing to work hard. We are very interested in developing the current Workfare pilots and running a nationwide scheme in the fifth term. This means we'll be presenting ourselves as offering hope to those in the inner cities - who, frankly, it looks as if Tony Blair is abandoning in his rush for the votes of Middle England. At least, that's what some of his left-wingers complain he's doing. We like Jack Kemp's attempts to take Republicanism into the inner cities.

"Every child the choice of a state-funded education."

It is going to come in a lot more forms than at present. Frankly, much as I love Gillian Shepherd, I think I'll have to move her in favour of someone more amenable to my ideas, such as Michael Forsyth or William Hague. I really do want a lot of grammar schools. Also, the Government's new accounting system will allow the private sector to provide new schools that will receive state funding for every pupil. Privately owned, publicly funded. And lots of choice. What could be better? I also like the East Harlem pattern

(shades of Jack Kemp again) where teachers can set up and run their own academies within existing state schools, teaching sport or drama and so on.

"A private company can provide a public service."

Who says we can't do more privatising? I agree with Michael Heseltine that we should sell off the Royal Mail. There are Cabinet opponents, so it won't necessarily be in the manifesto. We might not put the London Underground in the manifesto either - but provided BR privatisation works, you can be sure we will privatise the Tube. And we might well sell off Channel 4, too.

Major's chances of winning with this or any other agenda are still dauntingly slim. But last night's lecture was the first shot in a campaign by the consistently most under-rated operator in post-war British politics. The irony is that if he did pull it off, this would almost certainly mean the end of an era for the British new right. There will be endless debate about whether this distinctively Majorish blend agenda amounts to "caring conservatism", as he claimed last night, but Gingrichism it certainly ain't.

OUR SERIES ON THE PEOPLE JOCKEYING FOR INFLUENCE IN THE LATE NINETIES



THE NEW ESTABLISHMENT Day Four

The River Set Richard Rogers's waterside café is the hangout of the hip and powerful By Peter Popham

Serotas and Jagers and Geldofs, which give it a special appeal. It's the presence of Rogers himself, for whose architectural office the restaurant functions as staff canteen (they get a discount). This intensely political figure, a grinning, mumbling, rock-faced dyslexic, 18 going on 65 in appearance, who dresses like an early Sixties jazz fan (red socks with everything),

has, by his vigorous, relentless campaigning, made the governance of London and the revival of the Thames into burning political issues.

Without necessarily willing it, Lord and Lady Rogers (as their friends will be expressly forbidden to describe them) have reinvented the London club for the late Nineties. The charm of the club of St James's is a tissue of ambiguities: grandeur and shabbiness, dignity and intimacy, strictly observed table manners but unruly food. Members go there to swank it up, but part of the treat is that once inside you can behave as you would at home, or worse. Slump in an armchair with the paper. Get soggy drunk without exciting comment. Toss your watch to the man on the door and tell him to wind it, there's a good chap.

River Café plays similar games with expectation and propriety. It's notoriously expensive but disarmingly laid-back. The food has been praised to the skies, but you can never be sure what you're going to get, because, as Ruth Rogers said recently, "We change the menu twice a day by looking in the fridge and seeing what's there." Richard Rogers is a passionate enemy of the motor car, but it's almost impossible to get there any other way. When you arrive, there's nowhere to park - but the hairy guy in the Dracula cloak at the door will park it for you, which gives you the illusion you've been transported to Los Angeles, car capital of the world.

The edge the River Café has on any other such gathering place is that it is animated by ideas, electric with Rogers's prowling, lupine presence as he moves from table to table, pouncing on the rich and influential. In the *New Yorker* in July, Adam Gopnik described the café's dominant notion as the "century-old William Morris-to-Reynier Bauhaus sensibility, which insists that faith in common sense, clean lines, English river air and imported Mediterranean folk culture will make England young again."

This may seem a rarefied proposition for a party reared on the dripping sandwiches of Labourism. But it's intoxicating. It's hip, and the new establishment is knocking it back.

Tomorrow: media types

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obituaries / gazette

Spiro Agnew

"That Greek," sang his friend Frank Sinatra, "unique!"

Spiro T. Agnew was only the second Vice-President of the United States to resign his office, and was unique in being the first to do so because of a criminal charge. He also set records for the crudity of his attacks on blacks and liberals.

Few politicians anywhere have ever risen so fast and fallen so far. In six years Agnew went from being president of the Maryland parent-teacher association to being Vice-President of the United States and only five years later he walked into a Maryland courtroom and pleaded *nolo contendere* - an acknowledgment of guilt - to a specimen charge of "willfully" withholding \$13,551.47 in federal income taxes.

Agnew was sentenced to a fine of \$10,000 and three years' probation. He continued to deny the charges, blaming "bribe brokers" and attacking President Richard Nixon for "throwing me to the wolves". But the Maryland Court of Appeals dishonoured him, describing him as "morally obtuse" and ordered him to pay \$268,000 to the state to cover bribes and interest.

When he was elected Governor of Maryland in 1966, Agnew was seen as a relatively liberal Republican, but he soon made a reputation for strongly conservative views and the even stronger, sometimes racist language with which he denounced black rioters, student protesters, liberals and the media.

His most famous diatribe was against television journalists, whom he described as "nattering nabobs of negativism" and as "a tiny fraternity of privileged men elected by no one and enjoying a monopoly sanctioned and licensed by the government". He denounced opponents of the Vietnam war as "an effete corps of impudent snobs" who "take their tactics from Fidel Castro and their money from Daddy".

Perhaps the most extraordinary of his calculated outbursts came after the riots which followed the assassination of Martin Luther King in April 1968, when Agnew was still a relatively unknown Governor of Maryland. It was to prove a turning-point in his career, attracting the attention of the presidential candidate Richard Nixon, who was pursuing a "Southern strategy" and looking to protect himself against the appeal of the openly racist George Wallace to the north as well as southern working-class voters.

Agnew summoned 100 of Baltimore's black leaders, distinguished ministers, lawyers and politicians, and ranted that they were "circuit-riding, Hanoi-visting... caterwauling, riot-inciting, burn-America-down type leaders". Eighty of the 100 walked out, but Agnew became nationally known, and later that summer was chosen by Nixon as his vice-presidential candidate.

Nixon later told intimates that he had been close to choosing the liberal Republican mayor of New York, John V. Lindsay, but preferred Agnew because he was a "tough, shrewd Greek" who would "wear well". The choice came as a "bolt out of the blue", as Agnew himself acknowledged.

The key to Agnew's political personality, and to his appeal for Nixon, lay in his immigrant background and a simple, though angry, patriotism not unlike Nixon's own. Agnew's father, born Anagnostopoulos, went to America from Greece aged 21, and lived in upstate New York before moving to suburban Baltimore. He worked as a barber, then went into business, lost everything in the Depression, and lived, as the son put it, "by huckstering vegetables from a truck".

Agnew himself worked his way through law school, then served as a company commander in the infantry in Europe in the Second World War. He worked as the manager of a chain of food stores and as an insurance claims adjuster before establishing himself as a trial lawyer. He was an avid joiner, active in the Kiwanis and the American Legion. He believed passionately in what came to be called the "American Dream". He was adamant that anyone who was prepared to work could make a living in America, and denounced violently anyone who criticised any aspect of American life.

He was elected Baltimore County Executive at a time when Maryland politics were

notorious for corruption, which centred around gambling machines ("the slots") and construction and real estate payoffs. He acquired a reputation as a relative moderate because of the 1966 campaign in which he was elected Governor, when he was opposed by a George Wallace disciple called George Mahoney, whose campaign slogan was "Your home is your castle: protect it!", a thinly disguised racial war cry.

Agnew himself was often in trouble for racist remarks. He once called a reporter a "fat Jap". Once Nixon was elected president, he used Agnew primarily as an attack dog, making violent attacks on liberals and the media to ecstatic applause from conservatives. He was one of the most successful of the Nixon administration's fund-raisers, and in late 1971, astonishingly, Nixon seriously considered appointing him to the Supreme Court.

In the summer of 1973, with the Watergate hearings under way and producing almost daily revelations about the administration's malfeasances, the Attorney-General, Elliott Richardson, was aware that federal prosecutors had evidence that Agnew had been touting bribes in Maryland for years, and by September Agnew's attorneys were plea-bargaining with the government.

On 10 October Agnew resigned. Nixon first intended to replace him with the former Governor of Texas and Treasury Secretary, John B. Connally,

only to discover that Connally, too, was under indictment for accepting a \$10,000 bribe. In the end, Nixon replaced Agnew with Gerald Ford, who succeeded Nixon less than a year later. If Agnew had not taken bribes, or had not been caught, he might have been President of the United States.

In spite of his *nolo contendere* plea, Agnew continued for the rest of his life to insist that he was framed. He maintained his innocence in a book, *Go Quietly... or Else*, published in 1980, and accused Nixon personally of abandoning him. He refused to take phone calls from his former boss, but in 1994, when Nixon died, Agnew decided to go to his funeral. In May 1995 he returned to Washington for the unveiling of his bust outside the Senate.

After his resignation Agnew worked as a broker and middleman in deals for an international business clientele, fixing contacts in the United States and abroad. He divided his time between Rancho Mirage in California, and Ocean City, Maryland.

Godfrey Hodgson

Spiro Theodore Agnew, lawyer and politician, born Baltimore, Maryland 9 November 1918; Chief Executive, Baltimore County 1962-66; Governor of Maryland 1967-69; Vice-President of the United States 1969-73; married 1942 Judy Judeford (one son, three daughters); died Ocean City, Maryland 17 September 1996.



"Go quietly... or else": Agnew, right, with Richard Nixon in 1973

Photograph: Hulton Getty

Gene Nelson

A terrific dancer with rhythmic agility, grace and breathtaking athleticism, Gene Nelson was the last great dancer to emerge during Hollywood's golden era of musicals. His work (including his own ingenious choreography) enlivened several movies of the Fifties. Blond, with a boyishly wide grin, he was Doris Day's leading man in *Lullaby of Broadway*, memorably portrayed Will Parker in the film version of *Okla!oma!*, and late in his career triumphed on Broadway in Sondheim's *Follies*.

He was born Eugene Berg in 1920, in Seattle, and as a lad determined to be a dancer after seeing Astaire in *Flying Down to Rio*. He studied tap locally, then attended the famous Fanchon and Marco school in Hollywood, where he was given acrobatic and adagio training as well as tap. He became so interested in ice skating that he decided to make that his career and successfully auditioned for Sonja Henie's *Hollywood Ice Revue* (1938). He continued with her troupe for three years, graduating to solo work and appearing in the chorus of two of Henie's films.

In 1942 he married Miriam Franklin, a skilled Broadway tap dancer who persuaded him to return to dance. Enlisting in the

Signal Corps after Pearl Harbor, he was selected for the chorus of Irving Berlin's military show *This Is the Army*. After the 1942 Broadway run he appeared in the 1943 film version and embarked on a world tour (including the London Palladium in November 1943). At war's end his wife, who was now a Hollywood choreographer (it is Miriam who dances for Evelyn Keyes in the long-shot of *The Johnson Story*) arranged an audition for him at Fox, who signed him to a contract.

He was later to credit June Haver with his first major break. "June saw me rehearsing one day and told George Jessel, who was producing her film *I Wonder Who's Kissing Her Now* [1946], that she wanted me as a partner," Nelson and Haver danced together in the film's major production numbers, a romantic *pas de deux* to "What's the Use of Dreaming" and a lively Russian dance in the title-song finale. Fox then commissioned Nelson for the co-starring role with Betty Grable in *Mother Wore Tights*, but decided he looked too young for their star and let him go.

Nelson moved to Broadway in the revue *Lend an Ear* (1948), directed and choreographed by Gower Champion. "I learned a great deal about choreography

from Marge and Gower Champion, who were immensely talented," he said later. Then he was asked to test for Warner Brothers. "What I didn't know," he later told the writer Rusty E. Frank, "was that June Haver had told them she wanted to dance with me in their new picture."

Like Hermes Pan, Nelson was a dancer-choreographer who could raise the standard of his partner, and in *The Daughter of Rosie O'Grady* (1950) he and Haver did some lively routines including a joyous ragtime dance that had them strutting and Lindy Hopping in fine style. He also coaxed co-star Gordon Macrae to perform some surprisingly animated routines (much as Gene Kelly had earlier coached Sinatra).

Nelson then made three films with Doris Day. In the immensely enjoyable *Tea for Two* (1950) he had some fine duets with Day, who had originally wanted to be a dancer, and two major solos - a torrid jungle dance to "Crazy Rhythm" and a staircase routine to "Oh Me, Oh My, Oh You" in "Oh, My, Oh You". Nelson again performed one of his gasp-inducing leaps, this time from floor to piano-top.

When Nelson was in Britain a few years ago to appear in the nostalgic charity show *Stairway to the Stars* I asked him why there was no follow-up to the film. "Because of Doris," he said. "She was a great trouper and worked so hard, but afterwards she said, 'I'm never going to work that hard again', and she meant it. After all, she was a great singer and talent, so she knew what she was doing."

Nelson instead went back to Macrae, but his solo on a bare stage, making incredibly agile use of a walking stick and a straw boater, deserves to be as celebrated as those of Astaire or Kelly.

LeRoy Prinz was nominally choreographer of these Warner films but dancers at the studio usually devised their own routines - on this film Cagney brought in his long-time collaborator Johnny Boyle while Nelson, assisted by Al White, did his own.

Lullaby of Broadway (1951) gave Nelson star billing alongside Doris Day in a brightly coloured piece which had critics hailing Day and Nelson as the new Astaire-Rogers. During his solo "Zing Went the Strings of My Heart" Nelson again performed one of his gasp-inducing leaps, this time from floor to piano-top.

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second-string if prominent roles distinguished by his efforts. He was in *Painting the Clouds with Sunshine* (1951), a bland remake of *Gold Diggers of 1933*, *She's Working Her Way Through College* (1952), a remake of *The Male Animal*, 1942, which had him leaping on college desks, and *She's Back on Broadway* (1953).

In *Three Sailors and a Girl* (1953) he made impressive use of garage equipment in his solo to "The Lately Song" - no one was more skilful at dancing on narrow surfaces such as girders - and again brought out the choreographic best in his co-stars, Jane Powell and Gordon Macrae. Nelson and Powell, both married with children, were heavily criticised by the press when they had an affair during the film's making, one movie magazine commenting, "Another black eye for Hollywood, another decent young girl gone haywire." Powell's marriage broke up as a result, but Nelson had left her by the end of the year - something the singer was to refer to with some bitterness later.

Nelson stayed in uniform as one of three sailors on shore leave in *So This is Paris* (1956). Though he again contributed fine dancing - and coached some nimble steps out of Tony

Curtis - the derivative framework and mediocre score detracted from his efforts. His final musical was to be his most famous. *Okla!oma!* (1955), in which his dynamic performance of "Everything's Up to Date in Kansas City" to Agnes DeMille's choreography and his wooing of the flirtatious Ado Annie (Gloria Grahame) provided some of the film's brightest moments.

Turning to straight acting, he came to England for two B-movies and then, with musicals virtually ceasing to be made except for those showcasing rock stars, he turned to television and ultimately to directing, including two Elvis Presley movies, *Kissin' Cousins* (1964) and *Harem Scum* (1965).

For two decades he was one of television's busiest directors with dozens of series episodes to his credit. In 1971 he returned to Broadway as an actor-dancer with his portrayal of Buddy in *Follies*, stopping the show with his *tour-de-force* rendition of "Buddy's Blues".

Tom Vallance

Eugene Leander Berg (Gene Nelson), actor, born Seattle, Washington 24 March 1920; thrice married (two sons, one daughter); died Woodland Hills, California 16 September 1996.



The new Fred Astaire and Ginger Rogers: Nelson with Doris Day in *Lullaby of Broadway*, 1951

Photograph: Ronald Grant Archive

Archie Sinclair

Some long-serving directors of education in local authorities have left their mark by pioneering and carrying through innovative reforms; others have been successful in leaving their mark by leading a happy ship in which their colleagues could get down to the practical questions of coping with problems.

Archie Sinclair belonged to the second category. And it was good that he did so, because, on appointment to West Lothian in 1970, he had to meet a very particular and complex challenge - providing a clutch of totally new secondary schools and a myriad of new primary schools for the burgeoning New Town of Livingston, planned to be the Scottish Milton Keynes, the largest New Town in the North

and recipient of thousands of overspill families from the city of Glasgow.

The complexity was compounded by the fact that, under the 1918 Act, Roman Catholic children in Scotland were entitled to separate state education and that the west of Scotland, whence most of the children came, was deemed a "tinidior". In 1970, 40 miles across the water from the troubles of Northern Ireland, as his adviser on primary schools, Norrie Masson, put it to me: "Go to Archie with a difficult problem and you would always come out of the meeting feeling good and feeling that he understood and would do his best even if the problem was not to be wholly solved."

That Sinclair did not succeed

on local government reform in the late 1970s in getting the top job as Director of Education for the whole Lothian region, bad more to do with the conflict of an overbearing Edinburgh laying down the law to the surrounding areas and appointing one of its own rather than someone from the countryside. Sinclair was deprived of a job as either Director or Deputy which, according to Councillor Michael Coyne, one of the heavyweights in education at the time, should have been his.

Glasgow, one of the children of a ship-plate welder on Clydeside, later to become a tram-driver, a Scots lad of parts, he got into Albert Senior Secondary School in Glasgow in 1933 and left as a 17-year-old

to take a wartime-accelerated Honours degree in languages at Glasgow University.

In April 1942 he joined the Intelligence Corps Field Security Wing and after training at Brecon, Winchester, Matlock and Rotherham landed in November at Algiers with the First Army. He joined 68 Field Security Section attached to HQ First Army, and in September 1943 landed at Taranto with 5 Corps of the Eighth Army.

As for many others, being attached to First Army was an experience which made him internationalist in outlook since he had to serve both British and American masters. The fact that my own boss, Richard Crossman, had been on Harold Macmillan's staff in Algiers, told me

that the organisation which he saw run by General Bedell Smith was an example of how the best could be got out of people by treating them in a friendly and courteous way. "In all my dealings with teachers," he told me, "I remembered what I learnt from the Americans all those years ago, that you could maintain respect without being hierarchical and standing on your dignity." This attitude was to serve Scottish education well.

Passing the War Office Selection Board at Naples in January 1944, he was commissioned in the Black Watch in August and served with them in Belgium, Holland, the Rhine Crossing and through to Luneburg Heath. He saw Hitler fighting in the area of Montecassino and then was posted home to

train further as an interrogator. Although his degree had been in French and German, his ear for languages had allowed him to pick up Italian in a few months to the point of fluency. As an interrogator, I'm told that he was one of the best.

Discharged in September 1946, he joined the staff of the King's Park School in Glasgow. The distinguished Director of Education John Crawford snapped him up as Assistant Director of Education for Renfrewshire, where, three years later, he became Deputy to Hugh Fairlie, one of the pioneering forces of Scottish education post-war.

Fairlie told me that one of Sinclair's qualities was his great capacity not to flap in difficult situations. After he'd been ap-

pointed to West Lothian, I asked him how he managed to keep so calm and cheerful. "Well," he said, "it's like this: if you have been through Belgium, Holland, crossed to the Rhine and ended up at Luneburg with the Allied Control Commission, you have seen far more difficult problems than I face in peacetime Scotland."

Supported by his teacher wife, Thea, Sinclair made his professional colleagues welcome not least because he had great musical gifts of sitting down at a piano and making a party go. As a Rotarian, he understood how important it was that those in charge of education should also be prominent in the community which they served.

Tam Dalyell



Sinclair: Scottish education

Archibald Sinclair, teacher and educational administrator, born Glasgow 28 March 1922; Assistant Director of Education for Renfrewshire, 1957-60; Deputy 1960-70; Director of Education, West Lothian 1970-87; married 1960 Thea Black; died Falkirk 12 September 1996.

Forthcoming marriages

Mr J. Morton and Ms H. Atkinson Wood. The engagement is announced between John, son of Josie and Harold Morton, of Woodleigh, Devon, and Helen, daughter of Barbara and the late Freddie Atkinson Wood, of Sidington, Cheshire.

Birthdays

Miss Kate Adie, journalist, 51; Miss Judith Church MP, 43; Mr Timothy Colman, Lord-Lieutenant of Norfolk, 67; Captain Ronald Cunningham-Jardine, Lord-Lieutenant, Dumfries and Galloway, 65; Mr Justin Dukes, chief executive, European Communications Industries Consortium, 55; Mr Michael Elphick, actor, 50; Captain Jim Fox, athlete, 55; Miss Sidonia Goossens, harpist, 96; The Right Rev Hugh Gough, former Archbishop of Sydney, 91; Mr Richard Gray, Director, Manchester City Art Galleries, 45; Miss Rosemary Harris, actress, 66; Mr Simon Heams, film Commissioner to Kenya, 56; Mr Jeremy Irons, actor, 48; Mr

David McCallum, actor, 63; Sir Robert McCrindle, former MP, 67; Mr Ian McGowan, Librarian, National Library of Scotland, 51; The Very Rev Dr J. Fraser McLuskey, former Moderator of the Church of Scotland, 82; Mr Charles Martin, Headmaster, Bristol Grammar School, 57; Mr Austin Mitchell MP, 62; Sir Stephen Mitchell, High Court judge, 55; Mrs Renee Mortimer, novelist, 78; Mr Peter Murray, broadcaster, 68; Sir Robert Nelson, High Court judge, 54; Mr Derek Nimmo, actor, 64; Dr Harold Plenderleith, antiquary and scientist, 98; Miss Zandra Rhodes, fashion designer, 56; Dr George Richardson, former Warden, Keele College, Oxford, 72; The Duke of Richmond and Gordon, Chancellor, Sussex University and former Lord-Lieutenant of West Sussex, 67; Professor Sir Geoffrey Slaney, former President of the Royal College of Surgeons, 74; Twigg (Miss Lesley Homby), model, actress and singer, 47; Professor Christopher White, Director, Ashmolean Museum, Oxford, 66; Sir Leonard Williams, former Director-General, Energy, European Communities, 77; Mr Paul Williams, composer and lyricist, 56; Dr Arthur Wills, composer

and organist, 70; Judge Harold Wilson, circuit judge, 65.

Anniversaries

Births: Antoninus Pius, Roman emperor, 86; Henry III, King of France, 1551; Robert Sanderson, Bishop of Lincoln, writer, 1587; The Rev William Kirby, entomologist, 1759; Valentin Bender, clarinetist and composer, 1801; Lajos Kosuth, statesman, 1802; William Dyce, painter, 1806; George Cadbury, chocolate manufacturer and social reformer, 1839; William Leverhulme, soap manufacturer and philanthropist, 1851; Arthur Rackham, illustrator, 1867; Giuseppe Saragat, president of Italy, 1898; Ricardo Cortez (Jacob Krantz), actor and director, 1899; William Gordon (Billy) Reid, popular composer, 1902; Gustaf Allan Pettersson, composer, 1911; Dendie Meyer Arnscheldt Rothschild, banker, 1812; Giovanni Battista Donati, astronomer, 1873; James Abram Garfield, 20th US President, after being shot 1881; Thomas John Barnardo, physician

and philanthropist, 1905; Pauline Frederick (Beatrice Pauline Libbey), actress, 1938; Raimu (Jules Murai), actor, 1946; Stella Maria Sarah Miles Franklin (Bessie of Bessie Bin), novelist, 1954; Sir David Alexander Cecil Low, cartoonist, 1963; Chester Floyd Carlson, inventor of xerographic copying system, 1968; Roy Kinnear, actor and comedian, 1988. On this day: led by Edward, the Black Prince, the English defeated the French at the Battle of Poitiers, 1356; Auckland, New Zealand, was founded, 1840; the Germans started the siege of Paris, 1870; Melville Reuben Bessell, inventor, patented the first carpet-sweeper, 1876; Finland signed an armistice with the Soviet Union, 1944; William Joyce, known as "Lord Haw-Haw", was sentenced to be hanged, 1945; St Christopher and Nevis became independent, 1983; two severe earthquakes hit Mexico City, killing more than 4,200 people, 1985. Today is the Feast Day of St Emily de Rodat, St Georgios or Abbo, St Januarius of Benevento, St Mary of Cervellon, St Pelcus and his Companions, St Sequanus or Seine, St Susanna of Eleutheropolis and St Theodore of Canterbury.

Lectures

National Gallery, Kathleen Adler, "Alois (Jill) Fassaro, Portrait of Paul Cézanne", 1pm. Victoria and Albert Museum: Simone Mathews, "Mackintosh and Vienna", 2.30pm. Tate Gallery: Clement Pate, "Surrealism and the Anarchic Imagination", 1pm. British Museum: Anne Pearson, "The Metropolitan Museum, New York: marionettes and masterpieces", 1.15pm. National Portrait Gallery: Peter Funnell, "The New Victorian Galleries", 1.10pm. Beth Industrial Heritage Centre (Michael Cross Lecture, held at Bath Society Meeting Rooms, Bath): Sir Neil Cossons, "The Invisible Heritage", 7.30pm (tickets required).

Air Commodore Sir Frank Whittle

A Service of Thanksgiving for the life of Air Commodore Sir Frank Whittle OM KBE CB CDR US Legion of Merit FRSE FENG MA will be held in Westminster Abbey, London SW1, on Friday 15 November 1996 at 12 noon. Applications for tickets, accompanied by a stamped addressed envelope, should reach the Ministry of Defence, Pld (Cdr) (RAF), Room 344, Admiralty House, Theobalds Road, London EC1X 8RU, by not later than Monday 21 October 1996. Applicants should state their connection with Air Commodore Sir Frank Whittle, or the organisation they represent, if applicable. Tickets will be issued 7-10 days before the service. Applications should not be made to Westminster Abbey.

Receptions

Foreign and Commonwealth Office: Mr Jeremy Hanley MP, Minister of State for Foreign and Commonwealth Affairs, hosted a drinks reception held yesterday evening at the Foreign and Commonwealth Office, London SW1, for Business and City Editors. British Red Cross: A champagne reception and public auction were held yesterday evening at Christie's Fine Art Auctioneers, London SW1, in aid of the British Red Cross. Mr Mike Whitman,

Director-General, British Red Cross, and Mr John F. Gray, Director of Public Affairs, were the speakers. Mrs Elspeth Thomas, Chairman, British Red Cross, welcomed the guests.

Dinners

British Institute of Non-Destructive Testing: The Annual Dinner of the 35th Annual Conference of the British Institute of Non-Destructive Testing was held yesterday evening at the Fort Posthouse Hotel, Epskine, Glasgow. Dr W.E. Gardner, President of the Institute, introduced the President's Honour Lecture, which was given by Professor D. Schmitzer, President of the German Society for Non-Destructive Testing. The following prizes and awards were presented: Ray Sharpe Prize (for significant contribution through research and development in any branch of NDT to the benefit of industry or society); Dr P. Cowley, of Imperial College, London, John Grimmerdale Medal (for the best paper published in the institute's journal); Research Agency, Ross Halkett Award (for the best paper published in *Insight* on industrial radiography); J.E. Henderson, Nemat Award (for outstandingly effective use of NDT); Dr C. Nichols, of NIMS.

ROYAL ENGAGEMENTS

The Princess Royal attends the sixth session of the residential meeting, Royal Society of Tropical Medicine and Hygiene, Christ's College, Cambridge. Changing of the Guard: The Household Cavalry Mounted Regiment in uniform, the Queen's Life Guard of Horse Guards, 1st and 1st Battalion Irish Guards, mousers the Queen's Guard at Buckingham Palace, 11.30am, band provided by the Welsh Guards.

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CITY & BUSINESS EDITOR: JEREMY WARNER

PDFM defends 'dash-for-cash' strategy

ING CICIUTTI

PDFM, the pension fund manager, yesterday went on the offensive to counter mounting concern among pension fund clients over its decision to put £7bn of their money into cash, in anticipation of a stock market collapse.

The group said it had been vindicated on previous occasions when it had gone out on a limb. The decision to hold a smaller proportion of its funds in equities than many rivals was based on PDFM's view that both the US and UK stock markets would fall sharply.

Paul Yates, marketing director at PDFM, part of the Swiss banking giant UBS, said: "We have no intention of changing things. The markets are on the verge of a 30- to 40-year type of event. This is our philosophy and when we adopt a philosophy we have to stand with it."

He admitted that a consequence of this doomsday view had been that the performance of pension funds managed by PDFM had suffered in recent months.

Other fund managers said PDFM's investment strategy was out of line with the rest. One said that for the company's position to deliver returns similar to its rivals, stock markets in the US and UK must drop by between 20 and 30 per cent.

WM Company, the Edinburgh funds analyst, said many of the big UK fund management groups had built up their cash significantly in the first half of this year, but only by about one percentage point to 6 per cent of their assets as views of the stock market have turned more negative.

"The general trend of the investment management industry has been to increase liquidity," said a spokesman. Several fund managers admitted taking an increasingly bearish view of the US market recently, confirming that they were gradually increasing their cash levels to 6 or 7 per cent of assets, compared to 4 or 5 per cent a few months ago.

One manager, who would not be named, said: "You can't help feeling sorry for PDFM. In 1994, when bond yields rose and values fell, PDFM got its asset allocation right and had good cash balances. The problem is they then took the position they hold today and have painted themselves into a corner as a result."

Staff may strike as BA cuts 5,000 jobs

CHRIS GODSMARK and BARRIE CLEMENT

Unions representing British Airways staff last night threatened to hold strike ballots after the company revealed plans to slash 5,000 jobs in an attempt to slash costs by £1bn in three years.

BA refused to rule out compulsory redundancies to achieve the job losses, but pledged to recruit an extra 5,000 staff in other areas and to maintain the total workforce at around its current level of 49,000.

In a briefing to 350 senior managers, Bob Ayling, chief executive, attempted to dampen speculation of an imminent move towards a "virtual corporation" where most functions would be contracted out to different firms with varying pay rates and working conditions. But he warned that failure to achieve the cuts would lead to the outsourcing of several key activities.

"The competition is getting better and more efficient. Our customers expect more, but our cost of providing a seat has risen faster than the price customers pay in a highly competitive market place," Mr Ayling said.

The plan involves finding 5,000 staff willing to take voluntary redundancy from BA over the next 18 months, beginning in November. Most of those affected would be at Heathrow and Gatwick, where the company admitted it may have to resort to compulsory job cuts. A similar number of staff with customer service and language skills would be taken on.

Mr Ayling said he did not expect "wholesale job losses". He told managers: "Measures will be put in place to ensure that we treat our employees in the best possible way. Jobs will also be created and jobs secured."

Candidates for drastic efficiency savings included check-in functions and baggage handling, which would be carried out at what BA describes as "external market prices". If the desired cuts were not achieved, and if the measures proposed by management teams failed to cut BA's cost base, these functions would be sub-contracted.

In addition BA's engineering division, which employs 10,000 staff engaged in aircraft overhaul and servicing work, could be partly sold off. A company source suggested BA would not necessarily need to maintain a majority stake in the operation. Earlier this year the airline said it had no plans to hire off or float the engineering division.

BA also said it planned to double the size of its business from routes franchised to other airlines. The carrier earns £50m from franchised routes, often to former BA destinations.



On firm ground: Bob Ayling said BA would not become a 'virtual corporation'

Photograph: John Lawrence

As unions met with management last night, officials were raising the possibility of industrial action. It is understood that George Ryde, senior negotiator for the aviation industry at the Transport and General Workers' Union, has received pledges of support from other European unions. Union representatives at other airlines on the continent have told Mr Ryde that they will refuse to handle BA flights if its employees walk out.

Workers' leaders at BA believe, however, that management may "throw money at the problem" and that voluntary redundancy terms will be sufficient to secure the necessary job losses. It is also likely that some other unions will be less willing to take industrial action.

BA's workforce has grown from 39,500 worldwide in 1987 to 55,000 today, of which 49,000 are employed in the UK.

Olivetti crisis set to trigger further exodus

MICHAEL HARRISON

Olivetti, the beleaguered Italian computer group, remained locked in crisis last night amid reports that further top management changes would follow an emergency board meeting.

There was intense speculation in Milan that Olivetti's chief executive, Francesco Caini, would be forced to resign or ousted after just three months in the post. That would make him the third casualty in the Olivetti boardroom in the last three weeks following the departure of its former chairman, Carlo de Benedetti, and chief financial officer, Renzo Francesconi.

It was Mr Francesconi's resignation, followed by shock allegations that Olivetti had disguised the extent of its first-half losses, that sparked the crisis. It emerged yesterday that the reported first-half loss of £440m included a capital gain of £1.6bn on the sale of part of Olivetti's stake in the British computer group Acorn.

Olivetti sold 13.25 million shares in Acorn, representing just under 15 per cent of the company, in the US investment bank Lehman Brothers in July. Yesterday Olivetti said the £64m was deposited with Lehman and would be paid over in stages as the shares were placed in the market.

Lehman is the bank that acted as lead manager on Olivetti's £913m rescue rights issue last December which resulted in a group of London-based investors emerging with a stake of 30-40 per cent.

The investor group, which includes ING Barings Asset Management, Nnmura Capital

Management and PDFM, played a big part in Mr De Benedetti's removal after 18 years at the helm of Olivetti.

But it was being said in Italy last night that Mr De Benedetti was now thirsting for revenge on Mr Caini who brought in Antonio Tesone as chairman.

All four existing and former Olivetti executives - Mr De Benedetti, Mr Tesone, Mr Caini and Mr Francesconi - have been named by prosecutors carrying out a criminal investigation into claims that Olivetti had misrepresented its first-half results.

The Italian stock market watchdog, Consob, has also been carrying out an investigation into the embattled company. Earlier yesterday Olivetti produced a response to a list of 16 questions fired off by Consob but analysts said its replies had left the first-half loss of £440m included a capital gain of £1.6bn on the sale of part of Olivetti's stake in the British computer group Acorn.

Questions about the value of Olivetti's stocks of computer hardware were also left unresolved as the company failed to detail whether the equipment was salable.

The one glimmer of light for Olivetti was that its shares finally rebounded after having fallen by 40 per cent since the start of the month. They were suspended at £511 lire after jumping 10 per cent and triggering automatic circuit-breakers that prevent further trading.

However, brokers were sceptical about the level of real buying interest.

Morgan Grenfell sacks fund manager Young

JILL TREANOR
Banking Correspondent

Peter Young, the fund manager at the centre of the Morgan Grenfell Asset Management scandal, has been sacked from his £200,000-a-year job amid mounting speculation that the Serious Fraud Office is close to opening an official criminal investigation into the affair.

"Mr Young was dismissed on Tuesday on the grounds of gross misconduct," a Morgan Grenfell spokesman said yesterday.

Mr Young, the investment management regulator, is already in discussions with the SFO and has agreed to pass on any information which is own investigation uncovers.

If the SFO does open a case it could take months before criminal charges, if any, are brought against Mr Young.



Peter Young: Dismissed for 'gross misconduct'

with the firm's branch in Luxembourg.

Morgan Grenfell's own investigation, with the help of Ernst & Young, another consultancy firm, is unearthing a maze of Luxembourg shell companies which the bank believes were set up by Mr Young to hide the extent of his exposure to unlisted companies.

Regulations say funds should invest no more than 10 per cent of their assets in such companies, which are difficult to value and often volatile, but Mr Young's funds had three times as much.

As a result Morgan Grenfell was forced to suspend dealings in three of its own top-performing funds, two of them managed by Mr Young, on 2 September. The third fund was managed by Stewart Armer, who is also suspended from his job.

Retail sales promise pre-election boom

DIANE COYLE
Economics Editor

Retail sales volumes grew at their fastest rate for eight years during the summer, confirming that the Government would get the pre-election boom in the economy it had been hoping for.

But the latest evidence of surging consumer spending is likely to bring the Chancellor of the Exchequer into conflict with the Bank of England over interest rates. Minutes of the meeting between Kenneth Clarke and Eddie George, Governor of the Bank of England, at the end of July published yesterday revealed that the Bank wanted higher interest rates because of the pick-up in demand.

The Governor's opinion will have been reinforced by the economic news during the past month. Although analysts think Mr Clarke will resist raising the cost of borrowing ahead of the general election, yesterday's figures made it likely that the next move will have to be an increase.

The prospect of clashes between the Governor and the Chancellor, next due to meet on Monday, unsettled the financial markets. The FT-SE 100 index of leading shares ended nearly 17 points lower at 3,955.6.

"An interest rate rise is obviously closer. But the Chancellor will not want it before the election," said Marian Bell, chief economist at the Royal Bank of Scotland.

Robert Barrie at BZW agreed about the political timing. "It is whoever wins the election who will have to sort out the public finances and put interest rates up," he said.

The volume of retail sales jumped 1 per cent in August, and 1.6 per cent in the latest three months. This was the strongest advance since August 1988.

Kevin Gardiner, UK economist at investment bank Morgan Stanley, said: "Consumers have plenty of money to spend and they are not there spending it." Lower mortgage rates, income tax cuts and consumer "windfalls" such as this year's electricity rebates have boosted spending power.

Sales of clothing and footwear and of household goods explained much of the summer's increase in high street spending. The clothing, footwear and textiles category was up 5.6 per cent in the latest three months.

The weakest area was food sales. The volume of sales in food stores rose by only 0.3 per cent in the latest three months and by 0.6 per cent compared with a year earlier.

The cash value of sales on the high street increased by 6.4 per cent in the three months to August compared with a year earlier. Yesterday's surprisingly buoyant figures supported the case made by Mr George at the 30 July monetary meeting.

The Governor argued then that the expected pick-up in demand had started. According to the minutes: "On that basis the Bank saw no justification for further policy stimulus. In fact, as the Chancellor knew, the Bank would prefer short-term rates at 6 per cent."

Next strengthens in the high street

Like for like sales growth of 17 per cent helped Next continue its remarkable recovery since coming close to collapse in the early 1990s. Total sales at the fashion retailer increased 23 per cent to £406.4m on a 5 per cent increase in selling space, boosting profits in the half year to July by 27 per cent to £56m.

Next's shares, which have been one of the market's best performers since bottoming out at just 13p at the beginning of 1991, fell 23.5p, however, to close at 576.5p as the market worried that sales in the second half to date were starting to flag.

"The increase in sales is a lot less than people were expecting," said Nick Bubb, retail analyst at Mee/Pierson.

Swiss Bank dives £980m into the red

Swiss Bank Corporation will declare a SF1.9bn (£980m) loss in 1996 after SF3.3bn of extraordinary charges to cover bad debts, a revaluation of its property portfolio and an extensive restructuring to cut costs, writes Jill Trianor.

The bank said yesterday that sweeping changes in Switzerland will lead to 1,700 job losses among 13,000 in its domestic arm. SBC, Switzerland's third largest bank and the owner of London-based investment bank SBC Warburg, said it would not pay a dividend but instead would make a capital repayment

of 10 Swiss francs next year. It described the loss as "technical" and said that it expected to make a group operating profit of SF1.4bn in 1996 compared with SF1.05bn in 1995.

But that profit will not be enough to outweigh the charges it will be forced to take this year. SBC is writing off SF2.4bn bad debts and revaluing its property portfolio at cost of SF900m. The balance is the cost of restructuring.

The clean-up of the accounts prompted speculation that the bank may be preparing to list itself in New York.

STOCK MARKETS					
	FT-SE 100	Dow Jones	Nikkei	Hang Seng	Hong Kong
Index	3955.70	11584.03	2625.70	11584.03	2625.70
Change	-16.60	-27.58	-2.38	-27.58	-2.38
Change(%)	-0.4	-0.2	-0.1	-0.2	-0.1
1996 High	3977.20	11604.87	2632.30	11604.87	2632.30
1996 Low	4015.30	11616.80	2632.30	11616.80	2632.30
YTD(%)	3.43	3.83	3.43	3.83	3.43
FT-SE 250	4438.60	-16.40	-0.4	-16.40	-0.4
FT-SE 350	1974.60	-9.10	-0.4	-9.10	-0.4
FT-SE 400	2189.99	-1.09	-0.0	-1.09	-0.0
FT Small Cap	2189.99	-1.09	-0.0	-1.09	-0.0
FT All Share	1950.79	-7.43	-0.3	-7.43	-0.3
New York	5871.81	-17.02	-0.2	-17.02	-0.2
Tel Aviv	2115.75	-153.94	-6.8	-153.94	-6.8
London	11584.03	-27.58	-0.2	-27.58	-0.2
Source: FT Information					

INTEREST RATES					
	Short sterling	UK medium gilt	US long bond	3m Euro	6m Euro
Index	5.75	6.08	7.79	7.82	7.91
Change	0.00	0.00	0.00	0.00	0.00
Change(%)	0.0	0.0	0.0	0.0	0.0
1 Month	5.75	6.08	7.79	7.82	7.91
3 Month	5.75	6.08	7.79	7.82	7.91
6 Month	5.75	6.08	7.79	7.82	7.91
1 Year	5.75	6.08	7.79	7.82	7.91
2 Year	5.75	6.08	7.79	7.82	7.91
3 Year	5.75	6.08	7.79	7.82	7.91
4 Year	5.75	6.08	7.79	7.82	7.91
5 Year	5.75	6.08	7.79	7.82	7.91
10 Year	5.75	6.08	7.79	7.82	7.91
20 Year	5.75	6.08	7.79	7.82	7.91
30 Year	5.75	6.08	7.79	7.82	7.91
Source: FT Information					

CURRENCIES					
	£/\$	£/DM	£/¥	DM/\$	¥/\$
Index	1.5805	0.8408	1.6513	0.8408	1.6513
Change	+0.0042	-0.0022	-0.0042	-0.0022	-0.0042
Change(%)	+0.26	-0.26	-0.26	-0.26	-0.26
1 Month	1.5805	0.8408	1.6513	0.8408	1.6513
3 Month	1.5805	0.8408	1.6513	0.8408	1.6513
6 Month	1.5805	0.8408	1.6513	0.8408	1.6513
1 Year	1.5805	0.8408	1.6513	0.8408	1.6513
2 Year	1.5805	0.8408	1.6513	0.8408	1.6513
3 Year	1.5805	0.8408	1.6513	0.8408	1.6513
4 Year	1.5805	0.8408	1.6513	0.8408	1.6513
5 Year	1.5805	0.8408	1.6513	0.8408	1.6513
10 Year	1.5805	0.8408	1.6513	0.8408	1.6513
20 Year	1.5805	0.8408	1.6513	0.8408	1.6513
30 Year	1.5805	0.8408	1.6513	0.8408	1.6513
Source: FT Information					

Next trick is to sweat those assets

THE INVESTMENT COLUMN

EDITED BY TOM STEVENSON

Half-year figures from Next yesterday, showing a dramatic rise in pre-exceptional trading profits from £44.1m to £56m, suggested the clothes retailer's miraculous step back from the abyss five years ago remains as surefooted as ever.

The 4 per cent decline in the share price, 26.5p to 573.5p, implied the recovery was running out of steam. Which is right?

Unhelpfully, the answer is probably both. Having moved effortlessly into the FTSE 100 index this summer, and with a market value of over £2bn, it would be too much to expect the renaissance to continue at the same rate for ever and the market found enough in the sales figures since the half-year to worry about.

That said, however, it is hard to argue with like-for-like sales growth of 17 per cent leading to an operating profit increase of 37 per cent.

What is even more impressive is the fact that with more than 300 shops Next has in effect covered 90 per cent of the UK population.

What is achieving is not the relatively easy act of buying growth through geographical expansion, but the harder trick of making its existing assets sweat that bit harder.

To be honest, it is not altogether clear why Next is such a success. Its formula looked extremely fresh in the mid-1980s when it took the dowdy British high street by storm, but it is now hardly unique, the clothes are not noticeably better quality or value than in comparable stores. In short it is hard to see what exactly the company's competitive advantage is.

The company is also plainly having its problems in exporting the concept overseas. Neither the French nor the Americans have taken the Next look to their hearts so management can be commended on dipping a fairly tentative toe into both markets.

No harm really done if the attempts are ultimately abandoned, but faced with a maturing market at home it would be a concern to investors if there really is no scope to move elsewhere.

No surprise then that some shareholders should be pocketing a profit after a 32 per cent rise since the beginning of the year. Even after the fall yesterday, the shares are 26 per cent up on the year, a handsome outperformance of both the market and the rest of the retail sector. Since the black days at the beginning of 1991 when you could have picked the stock up for 13p, the shares have multiplied a sensational 44 times.

On the basis of BZW's forecast of £155m this year and £179m next time,

Midland waiting at the altar

Midland Independent has become the bridesmaid of the regional newspaper world. In a rapidly consolidating sector where everybody seems to be getting hitched, the publisher of the *Birmingham Post* has been left waiting at the altar, failing on three occasions in the last couple of years to get into bed with other regional newspaper groups.

The latest abortive attempt, to buy Emap's regional titles, cost Midland £1.4m in acquisition costs. These helped to restrict operating profits in the six months to June to £8.9m, down from £10.7m last time.

A sharp rise in newsprint prices in the first half, trailed in a profits warn-

ing in May, added £2.3m to costs, while advertising revenue was "patchy", according to Midland chief executive Chris Oakley, due to "uncertain consumer demand".

Closing two loss-making titles in Leicester and Nottingham cost another £3.1m, pushing pre-tax profits after exceptional down to £9.4m to £3.7m. The dividend, up 8 per cent to 1.2p, was uncovered by earnings.

Since the half-year Midland has managed to tie the knot by paying Newsquest £12m for seven free newspaper titles in the north Midlands. But Midland still has to come up with the deal that will secure its position in the regional newspaper shake-out.

If Midland fails to make a move it could be snapped up itself. Michael Green's Carlton, owner of Birmingham-based Central TV, is a likely suitor. Midland would be an ideal way for Carlton to develop its interest in US-style local television similar to that being entertained in Manchester by media giant Granada, the Manchester Evening News, Manchester United and cable operator Nynex.

This City TV concept has already

been adopted to a certain degree by Midland in conjunction with the Mirror Group's Live TV subsidiary. Birmingham Live now reaches almost 100,000 subscribers and is on course to break even by the end of 1998.

Brokers Panmure Gordon look for normalised pre-tax profits of £16m rising to £20m in 1997, implying a p/e of 17 falling to 13 with the shares at 130p. Hold.

Wassall shakes Hanson's curse

Wassall is proof that in investment, as in other areas of life, the truth will eventually come out. For three years the shares have suffered the curse of Hanson, studiously ignoring earnings growth during that period of well in excess of 20 per cent a year. Yesterday they jumped 16p to 308.5p as investors realised that not all diversified industrial groups are made equal.

Underlying profits growth of 32 per cent, an increase in earnings per share of a fraction more and a dividend rise of 35 per cent to 2.1p confirmed another exceptional set of figures, the most striking feature of which was another cracking period from General Cable, which is turning out to have been a first-rate acquisition.

Margin growth is right at the top end of expectations and fast heading towards the 7 per cent target management set when it saw what its most efficient competitors were able to achieve. Cost cuts are also building up nicely from reduced stocks to better distribution, the addition of more value-added products and better marketing.

All that led to an extremely impressive jump in divisional profits from £11.6m to £17.9m, quite the best performer from what is easily Wassall's biggest division. Elsewhere, adhesives, sealants and other building materials group DAP benefited from tough cost controls in otherwise quiet difficult markets and profits rose from £3.5m to £4.5m on flatish sales.

Wassall needs to find its next acquisition to keep the momentum going, but even without it earnings per share are forecast to grow at 13 per cent this year and 19 per cent next time on the basis of expected profits of £64m this year and £77m next.

In that context, a prospective p/e ratio of 15 falling to 12 is not demanding. Even if the shares only track the company's earnings growth they should see reasonable growth by the end of 1997. Good value.

UniChem set to renew contest for Lloyds Chemists

ELISABETH KLEIN

The takeover fight between UniChem and Gehe for control of Lloyds Chemists, the second biggest pharmacy chain in the UK, is set to be renewed in the middle of next month.

UniChem said yesterday, as it announced a near 16 per cent rise in interim profits to £25m, that it had completed its preparations, by handing over a list of British companies interested in buying six of Lloyds warehouses to the Office of Fair Trading. Gehe, the German group, said it would hand over its own list of potential buyers for the warehouses next week.

The competition authorities have ruled that neither company can rebid unless the warehouses are sold. The condition was imposed following a Monopolies and Mergers Commission investigation into Gehe's and UniChem's original takeover bids earlier this year.

UniChem is keen to get its new takeover bid underway. Jeff Harris, its chief executive, said: "We believe this process should be speeded up. We found a number of potential buyers for the warehouses on our own as well as Lloyds suggesting some."

Gehe, however, is relying on the buyers identified by Lloyds for the warehouses. "At the moment we are examining the prospective buyers suggested by Lloyds. This process will be finished by next week and we will then go with this list to the OFT," said the Gehe chief Dieter Kaemmerer.

Both rival suitors said that the sale of the warehouses was a side issue, and had little bearing on the price of a fresh takeover offer. "The warehouses are not valuable. I don't think that their sale will make a lot of money. We would have planned to sell them over a longer period of time anyway," said Mr Harris.

Gehe and UniChem expect that the OFT will not make its



Jeff Harris: Keen to get UniChem's new bid under way

recommendation about whether the two companies can bid until early next month. The final green light for any renewed takeover bids will be at the behest of the Department of Trade and Industry.

Mr Harris yesterday pointed out that strategically Lloyds would still make a very good acquisition for UniChem. "We take a long-term strategic view in the valuing of Lloyds Chemists."

The poor performance of Lloyds during the last months - since the beginning of the year the results went down nearly by 20 per cent - doesn't influence UniChem's valuation of Lloyds. Mr Harris said: "We don't understand the reasoning for a lower price. The conditions are more or less still the same as in February. What we are interested in are their 920 pharma-

cies. That is what is of value to us and not the fact that Lloyds might be in a difficult period due to management problems."

Gehe, though, takes a different view. It is questioning whether Lloyds is still worth the £650m bid at the beginning of the year. Even so, Mr Kaemmerer said: "Our interest in the acquisition of Lloyds is as strong as ever. I don't think that even a less profitable sell of the warehouses will influence our determination."

Analysts expect that Gehe's offer will be all cash, while UniChem's offer will be a mixture of cash and shares.

UniChem's turnover in the six months to end-June increased by 3 per cent to £718.6m. The interim dividend is being raised 11 per cent to 3p. Its shares rose by 2.5p to 259p, while Lloyds advanced by 5p to 503.5p.

Profit dip prompts Dagenham cost-cutting drive

CHRIS GODSMARK
Business Correspondent

Dagenham Motors, Britain's biggest Ford dealer, yesterday pledged to undertake a root and branch cost-cutting drive after reporting its first drop in profits since 1992.

The news, and the warning of a similar downturn in the second half of this year, sent Dagenham's shares diving by slightly more than 10 per cent from 137.5p to 123.5p. The

company also suggested the improvement in consumer confidence had had less impact on the car market than previously thought.

David Philip, Dagenham's chairman, said management changes were being made at some of its 15 car and truck dealerships after sales targets set by Ford had been missed, which meant the company failed to win bonuses from the manufacturer.

It was only after the end of

August that Dagenham realised disappointing June sales figures meant it had not done enough to qualify for the extra cash bonus payments from Ford, which are based on three-month sales targets.

This alone cut profits by £500,000 in the first six months of the year, an average of £100 for each of the 5,748 vehicles sold.

The problems meant Dagenham's profit margin on new car sales crashed by 20 per

cent, whereas earnings from used cars increased by 14 per cent. Half-yearly pre-tax earnings slid by 6.4 per cent to £2.35m despite a 5 per cent increase in sales to £147m.

"This is the first glitch we've had since coming out of recession," said a clearly disappointed Mr Philip, who added that August, which accounts for about a quarter of car sales, had also been worse than expected.

Ford's national market share

in the first P-registration month fell from 21 per cent to just over 18 per cent as the manufacturer did less than usual to boost its figures by "pre-registering" cars with dealers.

Mr Philip said: "We didn't make as much money in August this year but I don't know how much yet. The downturn in the first half of the year looks like continuing in the second half."

He said he was confident cost-cutting measures, including some reduction in the firm's

1,200-strong workforce through natural wastage, would restore profits next year.

One target for cost-cutting was the £3m Dagenham spends each year on storing and distributing cars to its dealer network. The company said there had been no hostility from Ford over the workings of the car maker's bonus promotions. Several new or revised Ford models were due in showrooms which should reduce the reliance on cash bonuses.

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THE INDEPENDENT

INDEPENDENT
ON SUNDAY

Who let the cat out of Spottiswoode's bag?

BUSINESS & PEOPLE



Spottiswoode: Happy to let Sids shoulder the costs

British Gas is crossing swords with the Ofgas taxman. No change there. The latest outlet for gaseous chagrin, my Deep Throat informs me, is three letters sent by Philip Rogerson, deputy chairman of British Gas, to Ms Spottiswoode last Friday. In the letters, Mr Rogerson complains about her pricing proposals which threaten to slash his company's profits. Two of the letters have subsequently surfaced in a London evening newspaper.

The letters seek to persuade Ofgas that British Gas's huge restructuring and decontamination costs should be shared by customers as well as shareholders. Ms Spottiswoode is content to let the Sids shoulder the whole costs.

Deep Throat, or should that be Deep Bore, adds that the last time Ofgas commissioned the MMC to study gas prices in 1993, the MMC recommended that the pricing formula should take into account "an appropriate proportion of the net costs of the restructuring..."

Over to Ms Spottiswoode. Jim Buckley, chief executive of the Baltic Exchange, London's shipping market, is hopping mad over plans to build a 92-floor Millennium Tower on the Exchange's old site. Sir Norman Foster's design for Europe's tallest office block may have captured the imagination of some. But the Exchange is annoyed that the scheme appears to have the approval of the City Corporation and British Heritage, whereas both

turned down the Exchange's proposals to demolish the old building and build anew.

"Restoring the Exchange would have bankrupted us. We decided to sell the site and move next door," says Mr Buckley. Then Trafalgar House, owned by Kvaerner, bought the old site. Now it appears the authorities may smile on the Millennium Tower, vastly increasing the value of the site. Mr Buckley says it is unlikely that the Exchange will sue anyone, but "if there's money swirling about, we'd like some of it".

So how much would he like? "As much as possible. The cost of restoring the Old Exchange would have been at least £20m, so we could start there."

So has Mr Buckley spoken to Trafalgar about a payoff? "I don't want to answer that question." It's an ill wind.

What's happened to Steve Barrow, chief economist at

Chemical Bank, newly merged with Chase Manhattan? He was interviewed at the BBC on Tuesday morning, and when the producer wanted to check something with Mr Barrow in the afternoon he rang Mr Barrow's number at Chase. A young lady assured the bemused producer that "Mr Barrow doesn't work here any more."

But we interviewed him this morning," he replied. Yesterday Chase said Mr Barrow had "left by mutual consent. His departure was amicable. We don't know what he is doing next."

Sarah Hogg, the former head of the Downing Street policy unit, who became the *Independent's* first business editor in 1986, is becoming chairman of London Economics, the consultancy.

On Monday London Economics celebrated its 10th anniversary with a party at which Baroness Hogg introduced a speech by Ken Clarke. She said she had discovered the connection between her, John Kay, who is leaving the chairmanship of London Economics to run Oxford's business school, and the Chancellor.

In a gracious tribute to Mr Clarke's ebullient press secretary, Jill Rutter, Baroness Hogg pointed out that prior to her current job, Ms Rutter had worked with her at the Downing Street Policy Unit and had been taught by Mr Kay as a student at Oxford.

COMPANY RESULTS				
	Turnover £	Pre-tax £	EPS	Dividend
AFK Systems (I)	237m (-)	-0.23m (-0.12m)	-0.06p (-1.62p)	- (-)
Aik Central (I)	2.48m (2.70m)	0.13m (0.23m)	0.39p (1.7p)	nil (-)
Charles Hughes (I)	126m (97.1m)	10.5m (8.37m)	3.34p (2.8p)	1.05p (0.9p)
Chenapathies (I)	5.02m (1.63m)	-7.96m (-3.36m)	-16.22p (-8.5p)	- (-)
Burns End Properties (I)	- (-)	0.38m (0.50m)	0.5m (0.72p)	0.55p (0.55p)
Knightsbridge (I)	- (-)	42.5m (99.9m)	12.39p (11.31p)	3.27p (3p)
Britannic Assurance (I)	- (-)	27.2m (30.9m)	9.2p (9.27p)	5p (4.5p)
Bryant Group (I)	462m (519m)	24.6m (45.3m)	5.9p (11p)	5.05p (5.05p)
Capital Industries (I)	42.0m (45.4m)	3.67m (3.56m)	8.7p (7.3p)	2.7p (2.5p)
Cashell (I)	367m (450m)	-19.2m (-10.4m)	-39.2p (-21.6p)	- (-)
Dagenham Motors (I)	147m (134m)	2.35m (2.51m)	6.2p (6.4p)	2.2p (2.2p)
Hendry (I)	628m (566m)	-14.2m (15.0m)	-25p (5.9p)	nil (4p)
Kelly-Fin (I)	220m (100m)	27.5m (18.1m)	8.52p (7.35p)	2.1p (1.9p)
S Lytle (I)	16.9m (16.8m)	-0.67m (-0.58m)	-9.2p (-4.09p)	- (-)
Midland Ind Newspapers (I)	56.4m (50.1m)	3.69m (16.3m)	4.01p (7.7p)	1.30p (3.50p)
MTL Instruments (I)	20.3m (17.3m)	2.49m (2.56m)	8.4p (9p)	2.1p (2p)
NI Group (I)	38.4m (41.4m)	4.81m (1.31m)	5.7p (1.6p)	3.6p (3.57p)
Osborn Holdings (I)	36.8m (4.84m)	11.4m (2.04m)	15.9p (2.9p)	1p (1p)
Ovon Resources (I)	- (-)	-0.02m (-0.09m)	-0.12p (-0.33p)	- (-)
Pagley Estates (I)	- (-)	1.06m (0.61m)	3.72p (2.25p)	0.6p (0.75p)
Seaford Resources (I)	4.15m (4.11m)	1.58m (1.35m)	0.7p (0.9p)	- (-)
Stellars (I)	4.04m (1.82m)	0.16m (0.15m)	0.4p	nil (-)
Thames & Bristol (I)	340m (308m)	10.6m (5.0m)	15.9p (7.8p)	5.2p (5p)
Tilbury Douglas (I)	232m (215m)	8.05m (7.09m)	16.5p (14.5p)	7p (-)
Town Law (I)	16.3m (16.8m)	-0.49m (-0.33m)	-2.7p (-1.2p)	nil (-)
Unistar TV (I)	17.1m (16.8m)	4.67m (3.66m)	5.9p (4.67p)	2.25p (2p)
Unicomm (I)	719m (695m)	24.2m (21.7m)	9.3p (8.5p)	3p (2.7p)
Wassall (I)	497m (468m)	22.4m (24.4m)	8.5p (8.3p)	2.1p (1.55p)
Wickhampton Bank (I)	2.94m (3.73m)	2.63m (3.7m)	21.9p (31.9p)	3.5p (9p)
Burnard Matthews (I)	172m (149m)	10.4m (8.67m)	5.76p (4.74p)	1.7p (1.3p)
Swet Bell (I)	71.5m (71.4m)	5.28m (2.01m)	3.8p (0.8p)	1p (0.6p)
Harrold (I)	23.1m (22.4m)	1.19m (2.03m)	2.4p (4.1p)	1.3p (1.3p)
W Canning (I)	39.9m (37.9m)	4.12m (3.67m)	9.9p (8.3p)	3.4p (3.2p)
Charmant Garments (I)	84.4m (78.0m)	2.67m (6.76m)	3.3p (8.5p)	4.62p (4.4p)
CHG (I)	117m (94.6m)	11.3m (8.64m)	11.4p (8.9p)	2p (-1.6p)
EMC Group (I)	24.8m (26.0m)	0.38m (0.37m)	2.27p (2.09p)	1p (-)
Exor (I)	114m (110m)	12.1m (16.1m)	5.1p (7p)	1.5p (1.3p)
Jarvis (I)	53.4m (34.0m)	0.59m (0.11m)	1.3p (0.3p)	nil (-)
Wayburn Group (I)	25.1m (21.8m)	2.87m (2.60m)	8.5p (8.5p)	2.5p (2.2p)
PPL Therapeutics (I)	2.13m (2.28m)	-1.89m (0.65m)	-23p (13p)	- (-)
S & U (I)	28.3m (28.4m)	3.08m (2.75m)	16.32p (15.09p)	4p (3.5p)
Style (I)	85.1m (83.3m)	0.57m (0.58m)	1.25p (1.24p)	nil (nil)
Vynners (I)	22.3m (19.5m)	1.27m (1.84m)	3.47p (5p)	1.8p (1.6p)

(I) - First (I) - Interim (I) - Current figures 14mths previous 12 mths - pro forma



John Willcock

market report / shares

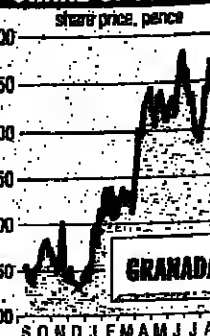
Rates uncertainty keeps 4,000 barrier out of reach

TAKING STOCK

DATA BANK

FT-SE 100
3955.7 -16.6
FT-SE 250
4433.6 -16.4
FT-SE 350
1974.6 -8.1
SEAQ VOLUME
622.9m shares,
37,944 bargains
Gilts Index
93.14 -0.18

SHARE SPOTLIGHT



The 4,000-point milestone remains tantalisingly out of reach. A break-through, which had seemed a mere formality after last week's ecstatic run, is proving to be surprisingly elusive and the stock market is looking in need of a confidence injection – or the satisfaction of a blockbuster takeover bid. The latest round of company results should have helped sentiment. But the strong advance in retail sales, more pressure for higher interest rates from the Bank of England and an uncertain London traded, conspired to inhibit investor interest.

Once again trading volumes were embarrassingly low, leaving many traders to ponder whether the holiday season is set to continue for the foreseeable future. There are attempts to generate activity. Analysts remain active and have not lost the habit of

changing stance on shares. But a new rating seems to attract little investor interest; any subsequent share movement is usually the result of a market-makers' imagination.

The PDEM decision to switch equities into cash has had a disturbing impact. It has certainly provided support for the bears who have, with monotonous regularity, been rubbishing the market's strength. But despite their sad lament blue chips have put on a resounding display. Perhaps the psychologically important 4,000-point milestone will prove insurmountable, although it should, despite this week's sluggishness, be comfortably obtainable.

Footsie gently retreated 16.6 points to 3,955.7, a 21.5-point decline since Monday's peak. Among blue chips National Power, with an investment presentation, gained 3p to 396.5p, enhancing PowerGen



MARKET REPORT

DEREK PAIN

Stock market reporter of the year

8p to 506p. Granada reached an 885.5p peak with a 5p gain as it confirmed it had lifted its stake in Yorkshire-Tyne Tees TV to almost 27 per cent by exercising warrants. YTT gained 7.5p to 1,157.5p. Guinness drifted 11.5p lower to 462.5p on suspected Barclays de Zoete Wedd caution and Bass was little changed at 792p following a more confident trading statement than had been expected.

Unilever, thought to be meeting analysts next week, weakened 8.5p to 1,373.5p and Northern Foods, also preparing to brief analysts, was unchanged at 201p. SBC Warburg reckon the shares

should be 225p. Mercury Asset Management drew comfort from a Cazenove upgrading, gaining 15p to 1,022.5p and Thorn, the rental group, was to fall out of Footsie, was tagged an income stock by NatWest Securities and responded with a 9.5p advance to 373.5p. KITZ, the mining group, lost 14.5p to 936p as Warburg lowered its profit forecast.

Among blue chips Pearson jumped 11.5p to 683.5p and BAA, on plans to improve access to Heathrow, rose 8.5p to 492.5p.

British Biotech's trading update lifted the shares 3p to 203.5p although Glaxo Wellcome, as expected, has decid-

ed not to take up its option on a BritBio asthma treatment. BTG's remarkable progress continued with a 72.5p gain to 2,025p.

Blenheim, the exhibition group, was little changed at 421p. Reed and United News & Media remain the favourites to strike but there is a sneaking suspicion US interests are edging into the bid frame. One thought to be looking at Blenheim is Ziff Davis, a computer magazines and exhibitions group.

Pentland, the shoe group, was 100p although two big lines of stock went through at around 97p.

L Gardner, the engineer, put on 3p to 175.5p on Feather & Greenwood support. The broker expects year's figures, due in November, to come out at £2.4m against £1.8m.

Hunting, the aviation group produced a £14.2m loss and dropped the interim dividend.

The shares rose 12.5p to 153.5p with takeover speculation helping fuel the price. Avon Rubber jumped 26p to 751p on talk of imminent corporate activity. The shares have climbed from 474p since February.

On Demand Information, an electronic publisher, improved 23p to 135.5p. It is in the last stage of what it calls "a significant product development" involving delivery through the Internet. The shares were 217.5p earlier this year.

Electrophoretics, a medical diagnostic business, managed a 5p gain to 65p. It has endured a volatile time since arriving on AIM. The price reached 200p last year.

Like many biotech tiddlers the company is loss making. It is working with the Government on a possible system to diagnose BSE in cattle and also specialises in nerve related back pain, brain damage and cancer.

Yorkshire Food, which stumbled into a £4m half-year loss, is attracting the attention of Dale, the US food group. The Americans have offered their stake to 6.36 per cent, buying 1.8 million shares. Despite its name, Yorkshire's ambitions are directed mainly at the US and Dale is one of its competitors in the dried fruit and nuts market. It hopes eventually to get a New York share listing. In London its shares firmed to 48.5p.

Bodgens, the food retailer, has the support of stockbroker Williams de Broe. Analyst Bill Myers believes the shares, at 42p, do not recognise the chain's recovery and the 29.4 per cent stake held by Rewe of Germany. By converting bonds Rewe could go to 45 per cent. Profits of £9.3m are expected this year and £10.8m next.

Share Price Data

Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex rights Ex-dividend Ex at a UK Listed Securities Market a Suspended 1p Parity Paid pm Nil Paid Shares. * AIM Stock

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Market leaders: Top 20 volumes

Stock	Volume	Stock	Volume	Stock	Volume
ASDA Group	20,000	Grain	8,000	British Steel	40,000
Avon Rubber	10,000	BT	8,000	British Gas	40,000
Bentley	10,000	BT	8,000	British Gas	40,000
Bentley	10,000	BT	8,000	British Gas	40,000
Bentley	10,000	BT	8,000	British Gas	40,000

FT-SE 100 index hour by hour

Open 3965.4 down 6.9	11.00 3964.0 down 8.3	14.00 3952.5 down 12.8
09.00 3971.0 down 1.2	12.00 3963.3 down 8.0	15.00 3952.5 down 12.8
10.00 3968.0 down 6.4	13.00 3965.0 down 8.3	Close 3952.7 down 16.9

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High	Low	Stock	Price	Chg	Vol	High	Low	Stock	Price	Chg	Vol
100	95	Alcoholic Beverages	100	5	100	100	95	Alcoholic Beverages	100	5	100
100	95	Alcoholic Beverages	100	5	100	100	95	Alcoholic Beverages	100	5	100
100	95	Alcoholic Beverages	100	5	100	100	95	Alcoholic Beverages	100	5	100
100	95	Alcoholic Beverages	100	5	100	100	95	Alcoholic Beverages	100	5	100
100	95	Alcoholic Beverages	100	5	100	100	95	Alcoholic Beverages	100	5	100

High	Low	Stock	Price	Chg	Vol	High	Low	Stock	Price	Chg	Vol
100	95	Alcoholic Beverages	100	5	100	100	95	Alcoholic Beverages	100	5	100
100	95	Alcoholic Beverages	100	5	100	100	95	Alcoholic Beverages	100	5	100
100	95	Alcoholic Beverages	100	5	100	100	95	Alcoholic Beverages	100	5	100
100	95	Alcoholic Beverages	100	5	100	100	95	Alcoholic Beverages	100	5	100
100	95	Alcoholic Beverages	100	5	100	100	95	Alcoholic Beverages	100	5	100

هذا من الاصل

Why the South must develop trade closer to home

Developing countries are being warned not to flood the industrialised countries with too many cheap goods. The warning comes from Sir James Goldsmith, the Cassandra of free trade, but from the impeccably politically correct United Nations Conference on Trade and Development.

UNCTAD's annual Trade and Development Report, published today, has the basically optimistic message for developing countries - the South - that they can replicate the economic success of South-east Asia's tigers. But it says the slowdown in growth in the industrialised North means there is a danger of triggering a collapse in prices, and inducing protectionism, by glutting northern markets with low-cost manufactured goods.

Yilmaz Akyüz, UNCTAD's chief economist, interprets the problem as primarily a northern one. Against a background of efforts to cut government budget deficits, he urges much lower interest rates to get growth going again.

"It is essential to solve high unemployment and low wages in the North or it will compromise the world trading system. It will be difficult to sustain free trade."

As an example, he cites the industrialisation of Italy and Japan in the 1960s. They penetrated developed markets at a much greater speed than the developing countries of today have achieved. But the arrival of the two newcomers was not controversial because of the background of a high rate of growth and full employment.

However, Mr Akyüz also points out that it will not be possible for the second tier of industrialising countries to follow the same path as



ECONOMIC VIEW
DIANE COYLE

Korea and Taiwan by exporting only low-skilled, labour-intensive products for years before upgrading to higher-skilled goods. There is already evidence in the case of some products that the increase in production for export has turned the "terms of trade" against the South by reducing prices. "An export push by the South would cause considerable dislocation," he warns.

The potential for disruption is illustrated by how small a market

per cent and 20 per cent a decade from now, depending on the North's growth and the South's export success.

The central forecast, which puts the South's market share at 14 per cent in 2006, will correspond to less than 6 per cent of the North's GDP and will affect only about 3.5 per cent of the total labour force. In addition, Northern exports of capital goods and high-technology goods to the South would grow rapidly as the emerging countries prospered.

'The slowdown of growth in the North poses a danger of a collapse in prices'

share the developing countries have ever in goods that we in the North perceive to be "flooding" in. For example, imports of clothing from the South amounted to \$89bn (£57bn) in 1993, about a third of the \$258bn market. In other broad categories, including textiles, the South's market share is below 5 per cent.

UNCTAD predicts that these shares will rise rapidly. The 10-year phasing out of the Multi-Fibre Arrangement, which protects northern clothing and textiles manufacturers, will take the South's share in clothing to 75 per cent by 2006, it forecasts.

For manufacturers as a whole, the import share is likely to rise from just under 7 per cent now to between 12

Nevertheless, it points to further massive industrial restructuring, that small percentage corresponds to more than 13 million people who will need to find different jobs. It is not many out of a workforce of going on for 400 million, but the potential for distress and poverty is grim. And if those of the protectionist tendency are already talking about the "giant sucking sound" as imports "flood" in, what will they be saying in 10 years?

UNCTAD wants to prepare the developing economies for the dangers of a backlash by setting up a marketing organisation to monitor and co-ordinate different countries' export drives. It also emphasises that

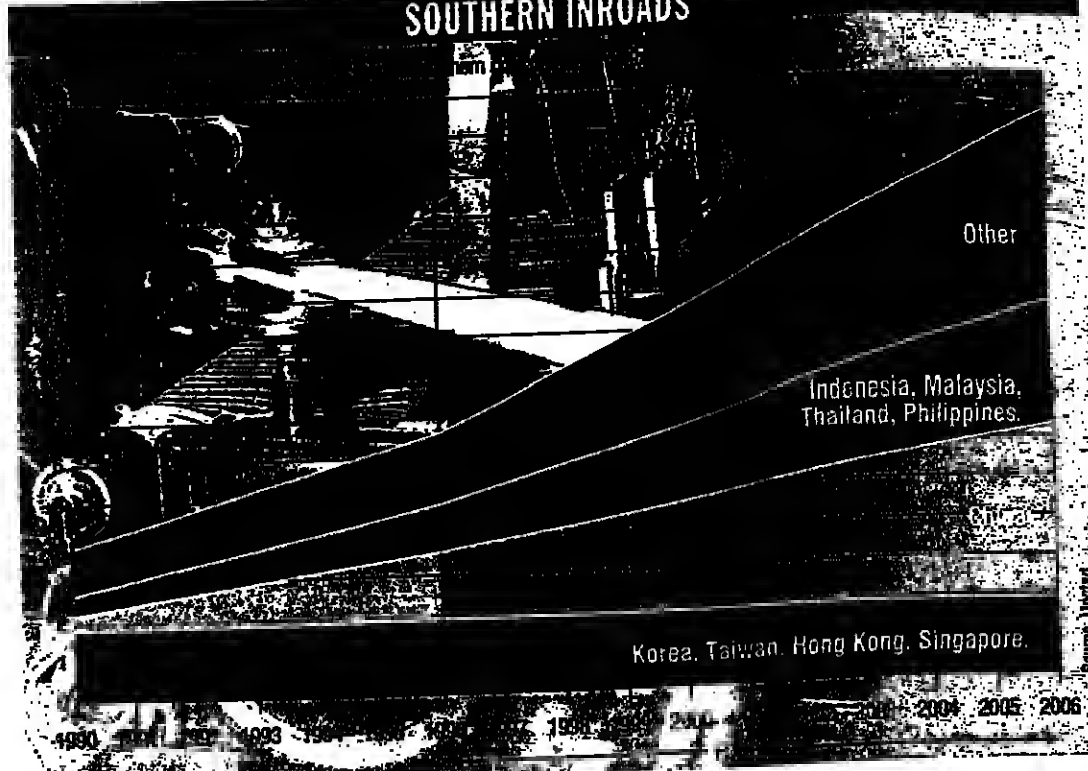
the two giant developing economies, China and India, do not need to export on the same scale as the first wave of newly industrialising countries. They are big enough to prosper without depending on overseas markets to the same extent as smaller countries such as Thailand.

The crucial safety valve, however, will be the growth in trade between the countries of the South. The 10 newly industrialised countries of Asia (including China and India) have a share of world trade equal to the EU's, bigger than the US's and more than double Japan's. During the next 10 years, for the first time, the fortunes of the South will not ebb and flow entirely because of what happens in the North - or so UNCTAD hopes.

Trade between industrialised economies is mostly intra-industry exchange - we import toothpaste from Germany and export it too, import electrical equipment and also sell it to the French. But the pattern of trade and investment between the countries of the South is shaped by their different levels of development. Thus, for example, Korea has established textiles plants in Bangladesh.

The difficult step in fulfilling the optimistic vision of burgeoning South-South trade which will stem the flood of cheap, labour-intensive goods to the North is how the most advanced newly industrialised economies are to accomplish their diversification into more sophisticated manufactures. The Asian tigers are already facing their own problems of de-industrialisation in trying to make this transition from sweatshop to hi-tech factories.

The Trade and Development Report takes a very different tack on



this from the International Monetary Fund and World Bank. The UN agency favours the kind of activist government-led industrial management practised by Taiwan and Korea during the 1970s. Essentially, it argues that it is governments, not free markets, that move countries up to the next rung of the development ladder. Once there, liberalisation and deregulation can deliver higher productivity and greater efficiency. But alone they are not enough to

bring about a step change in prosperity.

The IMF stands by its free market advice, however. A new study of the adjustment of eight developing countries to crises concludes, like earlier research, that the more deregulated the economy, the better it coped. Thus Chile and Thailand have grown significantly faster and have more diverse economies than more heavily regulated Mexico and Senegal.

Foreign Exchange Rates

Country	Spot	1 month	3 months	D-Market	Spot	1 month	3 months
US	1.5605	5.3	9.6	1000	0.6830	2.1	2.0
Canada	2.4400	5.4	10.4	1000	0.9094	2.1	2.0
Germany	2.2357	52.45	150.142	1000	28.26	96.63	1000
France	60.80	51.14	397.367	1000	78.73	220.210	1000
Italy	227.61	48.83	142.166	1000	44.51	123.85	1000
Japan	170.20	75.70	225.218	1000	45.44	136.183	1000
ECU	12.61	5.71	45.40	1000	45.44	136.183	1000
Belgium	48.68	51.14	397.367	1000	78.73	220.210	1000
UK	1.5605	5.3	9.6	1000	0.6830	2.1	2.0
Netherlands	2.2357	52.45	150.142	1000	28.26	96.63	1000
Denmark	0.9882	7.3	20.14	1000	4.7	12.17	1000
Norway	10.75	21.50	316.200	1000	42.7	120.07	1000
Spain	16.31	21.50	316.200	1000	42.7	120.07	1000
Sweden	10.75	21.50	316.200	1000	42.7	120.07	1000
Switzerland	1.5605	5.3	9.6	1000	0.6830	2.1	2.0
Australia	1.5605	5.3	9.6	1000	0.6830	2.1	2.0
Hong Kong	2.2357	52.45	150.142	1000	28.26	96.63	1000
Malaysia	3.8802	0.0	0.0	1000	4.14	15.36	1000
New Zealand	2.2357	52.45	150.142	1000	28.26	96.63	1000
South Africa	6.8825	0.0	0.0	1000	2.7	9.14	1000
Kuwait	2.2357	52.45	150.142	1000	28.26	96.63	1000
Singapore	2.2357	52.45	150.142	1000	28.26	96.63	1000

Other Spot Rates

Country	Spot	Dollar	Country	Spot	Dollar
Argentina	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Australia	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Brazil	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Canada	1.5605	0.0888	Yugoslavia	0.0000	0.0000
China	1.5605	0.0888	Yugoslavia	0.0000	0.0000
ECU	1.5605	0.0888	Yugoslavia	0.0000	0.0000
France	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Germany	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Italy	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Japan	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Netherlands	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Denmark	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Norway	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Spain	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Sweden	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Switzerland	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Australia	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Hong Kong	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Malaysia	1.5605	0.0888	Yugoslavia	0.0000	0.0000
New Zealand	1.5605	0.0888	Yugoslavia	0.0000	0.0000
South Africa	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Kuwait	1.5605	0.0888	Yugoslavia	0.0000	0.0000
Singapore	1.5605	0.0888	Yugoslavia	0.0000	0.0000

Interest Rates

Country	Rate	Country	Rate
US	5.75%	Germany	5.25%
UK	5.75%	France	5.25%
Canada	5.75%	Italy	5.25%
Japan	5.75%	Spain	5.25%
ECU	5.75%	Denmark	5.25%
Netherlands	5.75%	Norway	5.25%
Sweden	5.75%	Switzerland	5.25%
Australia	5.75%	Belgium	5.25%
Hong Kong	5.75%	Malaysia	5.25%
Malaysia	5.75%	New Zealand	5.25%
New Zealand	5.75%	South Africa	5.25%
South Africa	5.75%	Kuwait	5.25%
Kuwait	5.75%	Singapore	5.25%
Singapore	5.75%		

Bond Yields

Country	Yield	Country	Yield
US	7.14%	Germany	5.75%
UK	7.14%	France	5.75%
Canada	7.14%	Italy	5.75%
Japan	7.14%	Spain	5.75%
ECU	7.14%	Denmark	5.75%
Netherlands	7.14%	Norway	5.75%
Sweden	7.14%	Switzerland	5.75%
Australia	7.14%	Belgium	5.75%
Hong Kong	7.14%	Malaysia	5.75%
Malaysia	7.14%	New Zealand	5.75%
New Zealand	7.14%	South Africa	5.75%
South Africa	7.14%	Kuwait	5.75%
Kuwait	7.14%	Singapore	5.75%
Singapore	7.14%		

Money Market Rates

Country	Rate	Country	Rate
US	5.75%	Germany	5.25%
UK	5.75%	France	5.25%
Canada	5.75%	Italy	5.25%
Japan	5.75%	Spain	5.25%
ECU	5.75%	Denmark	5.25%
Netherlands	5.75%	Norway	5.25%
Sweden	5.75%	Switzerland	5.25%
Australia	5.75%	Belgium	5.25%
Hong Kong	5.75%	Malaysia	5.25%
Malaysia	5.75%	New Zealand	5.25%
New Zealand	5.75%	South Africa	5.25%
South Africa	5.75%	Kuwait	5.25%
Kuwait	5.75%	Singapore	5.25%
Singapore	5.75%		

Tourist Rates

Country	Rate	Country	Rate
US	5.75%	Germany	5.25%
UK	5.75%	France	5.25%
Canada	5.75%	Italy	5.25%
Japan	5.75%	Spain	5.25%
ECU	5.75%	Denmark	5.25%
Netherlands	5.75%	Norway	5.25%
Sweden	5.75%	Switzerland	5.25%
Australia	5.75%	Belgium	5.25%
Hong Kong	5.75%	Malaysia	5.25%
Malaysia	5.75%	New Zealand	5.25%
New Zealand	5.75%	South Africa	5.25%
South Africa	5.75%	Kuwait	5.25%
Kuwait	5.75%	Singapore	5.25%
Singapore	5.75%		

Life Financial Futures

Heavy		US	
Count	250%	Prime	8.75
Card	450%	Discount	5.00
Trade		Fed Funds	5.25
Count	700%	Spain	
Count	500%	10-Day Repo	7.00
Count		Sweden	
Count	325%	Repo (Ave)	5.00
<hr/>			
10yr	yield %	Country	5yr
6% 783		Netherlands	8.00
8% 91	682	Spain	10.00
9% 91	282	Italy	9.00
10% 794		Belgium	
6.25% 817		Sweden	
7.25% 617		ECU OAT	

sport

The glamour is in the game, not necessarily the lifestyle

An editor for whom I worked once came up with the idea of a weekly column about the social activities of sporting heroes. "We want all the gossip," he said. "Who's drinking too much, who's cheating on his wife. The playboys, the gamblers." It came to nothing. After an exploratory trawl through places of nocturnal entertainment, the reporter realised that his notes involved only a handful of people. Thinking particularly about footballers, the truth then, as now, is that for every one who hits the town, 200 were pushing trolleys around supermarkets.

Modern affluence blurs the fact that footballers in the main are quite ordinary people. This is hard to convey, because newspapers and

television unfailingly promote the notion of a glamorous existence. The glamour is the game, not necessarily the lifestyle.

That random alcohol tests are being introduced following the admission of a serious drink problem by the Arsenal and England captain, Tony Adams, may have led to the impression that booze is a modern phenomenon in British football.

For no reason beyond vague curiosity about recent events, I have thought about this in the context of personal experience. As a teenage professional player, I was required to take daily a foul mixture of vitamins and glucose for body-building purposes. An old player stated bluntly that there was more good in a glass of Guinness. Taking his

word for it, I ended up drunk and in front of the manager, a stern man who fined me two pounds 10 shillings, a quarter of what I was picking up weekly.

It did not surprise me to discover that footballers took a drink. My father and his four brothers, all professional players, two of them Welsh internationals, were keen on it. In their case, and that of many players at that time, it had something to do with having worked in the pits, but in any case, it seemed part of the culture.

Before Roy Paul went on to make a name for himself as captain of Manchester City, playing many times for Wales, he turned out for the then Swansea Town under an extraordinary figure, Billy McCandless,



KEN JONES

who bore a marked resemblance to Benito Mussolini. Once, at a board meeting, it was brought to McCandless' gruff attention that Paul was in the habit of going to a bar on the eve of home matches. "When they can all play as well as Roy, they can

all go drinking on Fridays," McCandless retorted. This did not do Paul much good because, by his own admission, he eventually ended up with a serious problem.

Many of the players who comprised Tottenham Hotspur's famed Double-winning team 35 years ago were pretty special too when they felt the need for refuelling. Alcohol never passed Danny Blanchflower's lips, but the rest made up for him. Of an international who joined the team shortly afterwards, it was joked that if Scotland ever had a drinking team, he would be the coach.

At the time, or perhaps a little earlier, I cannot remember exactly, there was a small drinking club in the West End of London known as the Madeline. It was run by one

Sulky Gowers, who sang well enough to make occasional appearances on television. Sulky moved on the fringes of London's underworld and brokered big-match tickets for the players. When it was time to close, the drums rolled and Sulky would sing his version of the national anthem: "Now take that Princess Margaret, she married Armstrong-Jones, why don't they give a yiddisher boy a chance..."

Some serious drinking was done there by footballers and at the Astor, a different proposition because it was frequented by front-line villains. Another popular haunt was a club in Charing Cross Road owned jointly for a spell by Malcolm Allison before he formed a terrific alliance with Joe Mercer at

Manchester City. Behind the bar you would find one of Arsenal's finest inside-forwards and one time captain, the lovable Jimmy Logie.

Despite the present alarms about drink and drugs in football, it occurs to me that nothing much has changed. Certainly not the free time that is available.

When Jimmy Johnstone was dancing along the right wing for Celtic, an attempt was made to describe a day in his life. "I go in for training," Johnstone said, "have a bite to eat afterwards, then play smoocher."

"What then?"

"I just hang about [sic]," he replied.

Thinking back to the sweet, long ago, that, it seems, is the problem.

Championship is only Leicestershire's to lose

The final round of cricket's County Championship is upon us, and although Leicestershire are clear favourites, two other outcomes are still possible, with Kent and Surrey both well placed to triumph should either weather or nerves intervene. As none of the top three are used to winning competitions, they will be as apprehensive as newly hatched butterflies and there could still be an unexpected twist to the summer's final showdown.

Leicestershire, who play Middlesex at Grace Road, need 11 points to clinch the title they won for the first and only time in 1975. A draw with a full complement of bonus points would be enough, although their inspirational captain, James Whitaker, claims they intend to win, and in fine style too.

In a game beset by increasingly obtuse statistics, one of the more telling ones is that Leicestershire have used just 13 players this season. With Alan Mullally missing half the county games on England duty and Whitaker out for three weeks with a torn calf muscle, it is an amazing record. One that possibly explains the claim of the coach, Jack Birkenshaw, that:

Derek Pringle believes only foul weather can stop Whitaker's men in the final game

"They are a team on and off the field".

It is one of the few unexplained phenomena of cricket, how forgotten sides from the middle of the table suddenly take on renewed stature at this time of year, and pristine team ethic or not, Leicestershire will still have to play well over the next few days if they are to beat Middlesex, who are awkward opponents for this crucial final encounter.

The Londoners, who have had a roller-coaster season of wins and losses, could prove dangerous should conditions suit. Unless an early strike proves decisive, Middlesex's embattled quartet of Gatting, Fraser, Ramprakash and Tufnell would all enjoy one last round of "Ho, Ho, Ho," before Christmas.

As straightforward and oppressive as the mathematics of the points system will appear to those chasing the leaders, there will be less pressure on Surrey and Kent, who need to win against Worcestershire and Gloucestershire respectively to have any chance of lifting the trophy.

Of the two, Surrey, already boosted by winning the Sunday League trophy, probably have the easier game. Unlike Kent, who travel to Nevill Road, they have the advantage of The Oval pitch. Unless Graeme Hick plans to spend the winter hibernating with another hundred under his belt, Worcestershire will not be as fearsome as their neighbours down the M5 at Bristol.

For one thing, Courtney Walsh, Gloucestershire's captain, will want to end as the season's highest wicket-taker. With 77 already, and only Peter Such ahead of him with 80, Kent's batsmen are guaranteed a rough ride, particularly if the pitch is sporting its usual green tinge.

Normally that would suit Kent, whose new-ball attack of Martin McCague and Dean Headley has recently been hat-trick happy. However, with bonus points now more precious than personal statistics, both Kent and Surrey will want to take the maximum on offer which means scoring 350-plus inside 120 overs.

If reports are accurate though, the weather, normally so reliable at this time of year, could play the most decisive role of all. Apparently, over the next few days, a low-pressure system from France is expected to bring bands of rain up from the South-east, placing both Surrey's and Leicestershire's matches at risk. If so, those playing in the West, as Kent are, may prosper should rain unfavourably decide to have the last say.

Kent have released their former captain Mark Benson and ex-England fast bowler Alan Iddlesden. Neither had played first-class cricket this season because of injury. Benson, 38, made his debut in 1980 and played 292 first-class matches scoring more than 18,000 runs. He was appointed captain in 1991, but resigned recently and faces another knee operation after being hurt playing football in pre-season training. Iddlesden, 32 next month, has played only seven first-class matches and 13 one-day games in the last two years, missing the start of this season because of a lower-back problem followed by further injury and illness.



Strike action: Vincent Low, of Malaysia, gets to work on honing his skills in practice yesterday for the British Open Tenpin Bowling Championship, which begins at Nottingham Bowl today. Photograph: Peter Jay

1 RACING

THE INDEPENDENT

PLAY FORMULA 1 DREAM TEAM
WIN a drive in a grand prix car

Formula 1 Dream Team is just like Fantasy Football: you pick and manage your dream grand prix team to score points over the season.

Even though the grand prix season is underway, it is not too late to join in pit your wits against other enthusiasts and you could win our prize for the Portuguese Grand Prix. The champion of the 1996 grand prix season will win our overall prize, a drive in a Formula One car.

Your team must comprise three drivers, a chassis and an engine; your budget is £40 million. Make your selections from the grand prix shopping list (printed right); the only restriction is that your third driver must come from the £1 million category.

Details of how to enter are given on this page. Remember, there are prizes for the winning Dream Team in each individual grand prix so you can enter a different team for each race.

HOW YOU SCORE

Points are awarded per race to the top six finishers, based on the Formula One World Championship points scoring system (10, 6, 4, 3, 2, 1) but with an extra 10 points awarded to each of the top six finishers. All drivers are eligible to score for a top six finish but can also notch up extra points as follows:

- The fastest driver in race-day warm-up will collect six points, with five for the second and so on down to one point for the sixth quickest.
- Drivers score one point for each place they make up over their grid position. Points are not deducted by losing places.
- Five points are lost if your driver posts first retirement, four for second down to one point lost for the fifth retirement.
- If your driver makes the quickest pit-stop (from the entry of the pitlane to the exit) you gain five points.
- If your driver sets the fastest lap time in the race, you gain five points.
- If your driver receives a stop/go penalty, you lose five points.
- If your driver starts on pole position, you gain five points.
- The Independent will name a Driver of the Day after each race for a particularly impressive performance, worth five points.
- Non-qualification for a grand prix loses you two points. If a driver is on the FIA's published starting grid but fails to



Plus prizes to be won with every grand prix

DREAM TEAM TOP PRIZE

The Dream Team manager with the highest number of points at the end of the Grand Prix Championship season will win our top prize - a drive in a 1997 Formula 1 car. You will be flown to the AGS team's training school in the south of France for the most exhilarating experience of your life. The school specialises in F1 courses and provides all the instruction you will need for a day driving F1 and other single seat cars.

PORTUGUESE GRAND PRIX PRIZE

The Dream Team manager with the highest number of points following the Portuguese Grand Prix will win a trip to Barcelona for the 1997 Spanish Grand Prix. The prize, which is for two people, includes return flights from Newcastle to Barcelona and three nights accommodation.

HOW TO ENTER

Choose your Dream Team from the shopping list on this page. Remember, you must choose three drivers (the third from the £1 million section), one chassis and one engine. You must not exceed your budget of £40 million.

Give your team a name and register it by ringing 0891 891 805. You will immediately be asked the entry question: How many races are there in this year's Formula One World Championship? To enter your Dream Team details you can use one of two methods.

Method 1 uses a tone phone that lets you

key in the code numbers of your driver, chassis and engine choices. The computer will check that your team falls within budget and is eligible.

Method 2 uses a non-tone phone and you give your details verbally. A budget check is not possible using this method.

When you have registered your Dream Team, you will be asked to predict the number of points this year's champion will notch up over the year. In case of a tie at the end of the season, the nearest figure to the champion's points will win the top prize. In the event of a further tie, the team that registered first will win.

Once you have registered your team you

will be asked for your name, address and telephone number. Your team selections plus your personal details will be played back to you and, when you confirm that they are correct, you will be given a PIN number.

This is confirmation of your entry and will enable you to access the score checking line. There is no limit on the number of teams an individual can enter, but only one team can be registered per call.

CHECKING YOUR SCORE

You can check your team's position at any time by calling 0891 891 806 and quoting your PIN number. If you want to know the individual driver, chassis and engine scores from the most recent race, call 0891 891 807. This line will also list the Top 50 Formula One Dream Teams.

Rules

1. All telephone calls are charged at 39p per minute cheap rate, 49p per minute at all other times, with a typical call to secure your entry lasting between five and seven minutes.
2. The deadline to be included in a particular race is midday the Friday prior to that race.
3. The judge's decision is final, no correspondence will be entered into and there is no cash alternative for prizes.
4. Employees of Newspaper Publishing Plc, Haymarket Publishing Ltd and all associated companies and their families are ineligible.
5. Entrants must be 18 or over and residents of the UK or the Irish Republic.
6. To be eligible for the main prize, you must hold a current driving licence, be no more than 1.95m tall and weigh no more than 220lbs.
7. All scores will be worked out according to the official FIA time sheets produced at the meeting. The values stated for drivers, engines and chassis bear no relation to real life.
8. In the event of a tie for the Dream Team Top Prize or for any of the individual race prizes, the team that registered first will win.
9. For lost PIN numbers please call: 0891 891 808. For our Helpline call: 01275 344183.
10. The Top 50 Teams Line, lists the top 50 teams from the last race. Both the Team Position Check Line and the Results & Top 50 Teams Line will be updated at 2pm on the Monday following a race.

Shopping List

DRIVERS

- £25m 1 M Schumacher
- £23m 2 J Alesi
- £20m 3 D Hill
- £18m 4 G Berger
- £15m 5 D Coulthard
- £13m 6 E Irvine
- £11m 7 J Villeneuve
- £9m 8 M Hakkinen
- £7m 9 H H Frentzen
- £5m 10 M Brundle
- £3m 11 R Barrichello
- £1m 12 J Herbert
- £1m 13 M Salo
- £1m 14 P Lamy
- £1m 15 P Diniz
- £1m 16 U Katayama
- £1m 17 J Verstappen
- £1m 18 O Paris
- £1m 19 L Badoer
- £1m 20 R Rosset
- £1m 21 A Montanari
- £1m 22 G Fisichella
- £1m 23 V Sospiri
- £1m 24 T Marques
- £1m 25 F Lagorce
- £1m 26 H Noda
- £1m 27 T Inoue
- £1m 28 M Blundell
- £1m 29 J-C Boullion
- £1m 30 K Brack
- £1m 31 K Burt
- £1m 32 E Collard
- £1m 33 N Fontana
- £1m 34 D Franchitti
- £1m 35 N Larini
- £1m 36 J Magnussen
- £1m 37 A Prost
- £1m 38 G Tarquini
- £1m 39 K Wendlinger

CHASSIS

- £20m 40 Benetton
- £18m 41 Williams
- £16m 42 Ferrari
- £14m 43 McLaren
- £12m 44 Sauber
- £10m 45 Jordan
- £8m 46 Ligier
- £6m 47 Tyrrell
- £4m 48 Arrows
- £3m 49 Minardi
- £1m 50 Forti
- £1m 51 Renault
- £1m 52 Ferrari
- £1m 53 Mercedes
- £1m 54 Peugeot
- £1m 55 Mugen
- £1m 56 Ford V10
- £1m 57 Yamaha
- £1m 58 Hart
- £1m 59 Ford Zetec V8
- £1m 60 Ford ED V8

1996 RACE SCHEDULE

Portuguese GP
September 22
Japanese GP
October 13

*Not competing in Portuguese GP but may compete in Japanese GP

DREAM TEAM registration: 0891 891 805 TEAM POSITION CHECK LINE: 0891 891 806 RESULTS & TOP 50 TEAMS: 0891 891 807



هذا من الاصل



View from behind the seventh green at Loch Lomond, voted the world's best new golf course and the venue for this weekend's World Invitational

Photograph: David Ashdown

Faldo inspired by banks of Loch Lomond

If Nick Faldo allows the inaugural Loch Lomond World Invitational to get away from him this weekend he will have no excuses. As the European Tour swings from the ridiculous (unplayable greens at the British Masters at Collingtree) to the sublime surroundings of the bonnie banks, Faldo was moved to wax lyrical.

Indeed, to listen to the Englishman, who was so critical of conditions in Europe that he joined the US Tour, one is tempted to check the wax in one's ears. "It's just absolutely fabulous," Faldo said of Loch Lomond. Then he began to warm to his theme. "It is by far the best golf course in Great Britain by miles. The condition, the views, everything. The setting is unbelievable. I hate those courses where you can't remember anything about an individual hole, but here you can picture every hole even after just

one round. It's great to see that it can be done in this country. The greens are absolutely spot on."

Considering that Faldo and his management team, IMG, rarely get out of bed unless there's a juicy contract lying on the breakfast tray, it is tempting to contemplate how much the Masters champion was paid to take the high road to Glasgow. The answer is, nothing.

"I'm playing here," Faldo said, "because I wanted to see the course and I think this is going to become a great event. It's a good one to support." Given the venue, and the philosophy of the owner, Lyle Anderson, the event probably deserves to succeed. Refreshingly, Anderson has decided not to pay appearance money.

Officially, of course, such an incentive does not exist but try telling that to sponsors. Anderson, an

American property developer who has built courses in Scottsdale, Arizona, hosts a seniors tournament called The Tradition which became a "major" for the golden oldies after only four years.

"Our goals at Loch Lomond are similar to the goals we initiated at The Tradition," Anderson said. "We will look after the players and their families as if they were competing in a major championship; we will not burden them with requests to attend parties or pro-ams and we will set up the course for a true test which will ensure a worthy champion. Commercialism will be at a minimum. Accordingly, with the objective of creating a major world tournament, we feel appearance money would not be proper, as it is not at the existing majors. This is an opportunity for the top players to step forward and support

Tim Glover on a new championship being played this weekend on a new course

a tournament that could become one of the leading international events." It may be called the World Invitational but the fact is most of the world's leading players have declined the invitation even though the tournament has £750,000 in prize-money with the winner receiving £125,000. The idea was to invite the top 60 in the world rankings. Only 12 have accepted; of the top 20 in the world only Faldo and Colin Montgomerie are here.

The hypocrisy in the game is breathtaking, Anderson, while accepting on the one hand that the US

Tour would give very few exemptions for players to travel to Scotland, admitted: "I think we'd have got a number of American players here if we had paid appearance fees." It is not just the Americans who have stayed away. The other day Seve Ballesteros, Europe's Ryder Cup captain, was warning players, particularly Faldo, to qualify on merit for the match against the United States at Valderrama in 12 months' time. Although the World Invitational carries Ryder Cup points, Ballesteros is not here, nor Bernhard Langer.

The story of Loch Lomond, which has been named as the best new course in the world, began in 1988 when David Breach, a London developer, finally received planning permission to build 18 holes. He wanted Jack Nicklaus to design them, failed to interest the Golden Bear and instead approached Tom Weiskopf.

Weiskopf, who won the Open Championship at Troon in 1973, looked at a video of the land and visited Loch Lomond two weeks later.

The project stalled when the receivers were called in in the early 1990s but Weiskopf persuaded Anderson to buy the land from the bonnie bank of Scotland in 1994. Not that Anderson needed much persuading. It took him all of one hour to decide to do a deal. "Loch Lomond," Weiskopf said, "is my best work. It is my lasting tribute to the game of golf."

Notwithstanding the fact that there are those who would argue that a golf course has no place at Loch Lomond, Anderson has ambitious plans. Nicklaus, perhaps realising that he should have taken the original commission, is currently designing another 18 holes. Apart

from the fact that Anderson wants his World Invitational to live up to its name in the years to come - he has no sponsor this year, despite BBC TV coverage, and expects to make a loss - he is optimistic about staging the Ryder Cup here even if it will not be before the year 2005.

As for Faldo, he may not, in Anderson's words, have received a "dime or a shilling" but there were other incentives. Having flown from Berlin, where he has designed a course, it suited his schedule. Apart from the fact that it was his daughter's birthday yesterday, Anderson hooked him with a line that, as far as Faldo was concerned, was the next best thing to appearance money: fishing. Not only has he the chance to catch trout and salmon but the weepow, a species that can only be found in the waters of Loch Lomond.

Sorenstam aiming for the superlative

There is a reason why Laura Davies is driving herself so hard to win the money lists in both America and Europe. Only one player - male, female or senior - has ever done it and it was not Davies. The world No 1 female golfer is not used to finding herself in such a position.

Davies can be assumed to have done most things in the game, and has, but not even she had considered the feat that Annika Sorenstam achieved last year. The Swede won six times around the globe and briefly usurped Davies as the best in the world.

Sorenstam is still ranked No 2 on the official Ping leaderboard, with Lotte Neumann just one place lower, Helen Alfredsson 12th and Catrin Nilsmark 53rd. The four Swedes form a third of the European team that take on the Americans at St Pierre, Chesham in the fourth Solheim Cup match which starts tomorrow. It is a staggering achievement for a country that hosts only 380,000 golfers, with a third of those women.

It is a testament to the structure that is in place to make the

most of the talent they have, and where golf clubs welcome families and juniors. Pia Nilsson, a former tour player, first became captain of women's golf, and now of all golf in Sweden. This week she is acting as vice-captain to Mickey Walker, the European captain. "I was one of the first to go to college in America," Nilsson said. "We have taken the best of the American ways of doing things and incorporated that into the Swedish culture. Even not being able to play in the winter has helped. We realised we had to look at areas such as mental preparation to be the best."

The first time Sorenstam played in the final group of a big tournament in Sweden, it was nine years ago with Nilsson. "I was the established professional, so I won," Nilsson remembers. Sorenstam was only 16. "I was certainly impressed then, but as a junior she was in a group of talented players. She did not stand out then, but she has improved each year. She is a bit stubborn, and she loves to practice. She works out what she needs to do on and then does so. She is willing to listen to oth-

The Swede is ready for this weekend's Solheim Cup test, says Andy Farrell

ers, but in the end it is her who decides what she needs to do." After a successful amateur career, Sorenstam finished runner-up four times in Europe and won the 1993 rookie of the year award. The following year she took the same honour in Amer-



Sorenstam: 'Consistent'

ica and a maiden win followed in Australia.

Her first win in America was the small matter of the US Open, and this year she became the first non-American to win successive titles, by six strokes with a record score. She never found out why the course is called Pine Needles because she hardly missed a fairway or a green. "You run out of superlatives to describe the achievement," Walker said at the time. "She hit great shot after great shot. She made the other players look ordinary with her outstanding play. It is hard to believe she is only 25."

Two years ago, Sorenstam played in her first Solheim Cup, winning once and losing twice as the Americans won 13-7. "I am a better player than two years ago," she said. "All parts of my game have improved. I am hitting more fairways, more greens, my putting is better. But this time it is a little different because I am supposed to be one of the top players. Every point is important wherever it comes from, but I know I have to perform."

"This is the only team event we get to play, so it is a lot of fun, but there is a lot of prestige at stake. We are not playing for money but for pride. I have been through it once so I know what to expect, but I'm sure I'll be nervous."

There is one thing Sorenstam

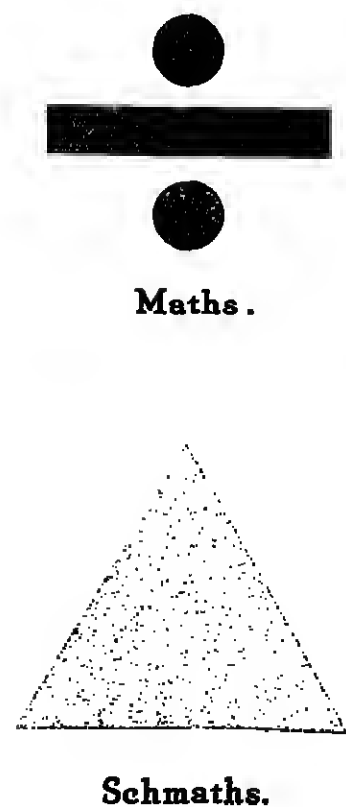
has not done, which Davies - and Alfredsson, Neumann and Nilsmark, who holed the winning putt - have. They were all part of Europe's victory at Dalmahoy four years ago. Sorenstam is determined to experience the same feeling on Sunday night.



FANTASY FOOTBALL

Check your scores every Wednesday and Sunday and watch out for our first transfer period, coming soon.

THE INDEPENDENT INDEPENDENT



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Celtic stung by bonus dispute

Football

Vergus McCann, the Celtic chairman, at the club's manager, Tommy Burns, put on a brave face yesterday as an embarrasing internal row over bonus payments rumbled on.

A 1-0 Coca-Cola Cup final defeat by Hearts today, Burns confirmed, was not the end of the bonus dispute.

But as Burns and McCann tried to sort out an internal inquiry into how the story was leaked, the Scottish-Canadian chairman was in no mood to bow to player power.

"The club would make the point, and a valid one which I think the players would probably agree with, that they are not only well-paid but also very well taken care of here and that will continue," McCann said.

"We don't have to apologise to anybody for conditions players enjoy here at Celtic Park."

am sure that is the feeling among the players as a whole.

"There is nobody more disappointed than this has come out in a newspaper," Burns said, although it seems certain that the story was leaked by a player.

"This is something which will be settled internally and settled today. I've met the players and it is not a major issue."

"The players that play for Celtic don't have to rely on bonuses. They are incentives which the club decides to give."

"The players are bitterly disappointed that we lost to Hearts and that they let the supporters down by this coming out. It was an internal matter which was leaked."

"But we won't go down the road of a witch-hunt. Things are said every day at either of the Old Firm clubs which could make a headline."

Reports on the dispute centre on bonuses for unused substitutes with the sanctions by the

Celtic players allegedly including a refusal to speak to the club newspaper or programme, or help in commercial activities.

McCann hinted strongly that despite the assurances of Burns that there would be no witch-hunt, the source of the story would be sought.

"I don't know where the source is, but we will deal with it internally," McCann said.

Hearts, meanwhile, will face Scottish football officials on 14 October to discuss their recent game against Rangers at Ibrox.

The Tynecastle club had four players sent off in last Saturday's 3-0 defeat by Rangers.

Referee Gerry Evans' report on the match arrived yesterday at the Scottish Football Association's offices in Glasgow and the upshot is that Hearts will be asked to explain the actions of their players and their chairman, Chris Robinson, who appeared on the track at one stage.

Hearts have already been in contact with the SFA with Robinson trying to explain his presence on the touchline.

The four sent off - Pasquale Bruno, David Weir, Neil Poynton and Paul Ritchie - have not yet been asked to appear in person before the disciplinary committee, but SFA procedure means that could still happen at a later date.

Dundee were yesterday handed a sharp reminder of where their priorities for the season really lie. The Thistle's storming through to the Coca-Cola Cup semi-finals for the second year in succession with a sensational 2-1 win over Aberdeen at Dens Park on Tuesday night.

It was a sweet revenge win over the club which beat them in last season's Hampden final and also gave them their fourth success over top-flight opposition in the tournament in little over a year.

The Dons followed Dundee United (in the previous round) and Hearts and Kilmarnock last season on to the First Division club's list of scalps.

But John McCormack, the Dens Park assistant manager, warned: "The real interest here isn't just in grabbing the headlines by beating the big-name sides occasionally in cup competitions. We are well aware that our supporters have missed out on the Premier Division for far too long."

"We want to be meeting those top teams on a weekly basis by competing at the highest level. Promotion requires a consistent level of performance and that is what we are striving to achieve throughout this season."



High jumper Jackie Joyner-Kersey, who won gold medals in athletics at the 1988 and 1992 Olympic Games, drives for a lay-up while playing for University of California, Los Angeles, before she switched to the heptathlon and long jump. The American has signed for Richmond Rage in the new professional American Basketball League. Photograph: AP

Coaches plead for more time

European national coaches, concerned that the leading clubs are growing in strength by importing overseas players, have called for more time with their players so that they can maintain their teams' standards.

Glenn Hoddle said on Tuesday that he wanted a nine-day build-up to England's next World Cup qualifier, against Poland, but club managers were not enthusiastic.

The coaches, holding their second convention in Copenhagen, see Europe's major clubs becoming more powerful since the Bosman ruling removed restrictions on foreign players. They say international football is now even more important, because clubs are losing their national identity. With fewer domestic players in squads, they need more time to work with their internationals.

"They fear international football could become watered down," said the former Scotland manager, Andy Roxburgh, now a UEFA technical director, at the end of the three-day convention.

Roxburgh revealed that Bert Vogts, the coach of European champions Germany, had been at the forefront of the demands. "Berti led the way with an impassioned plea for the protection

of national teams," he said. "The coaches are a bit concerned that in the post-Bosman era we're in the past. In 1967, when Glasgow Celtic won the European Cup, all the players were local."

Roxburgh added that UEFA's technical committee, of which Vogts is a new member, would meet in Amsterdam in November to discuss proposals put forward at the convention and then submit them to the executive.

The most important proposal was that rather than hold international matches in midweek, a few weekends should be put aside each season, allowing national teams to play twice in the space of 10 days.

In five 10-day periods countries could play 10 international matches and clubs in the domestic top divisions, which take a weekend break ahead of a midweek international, would be asked to release players from a Monday to the Wednesday of the following week but less often each season.

The coaches also discussed the sudden-death rule, with most of them expressing their dislike of the "golden goal", the need to clarify the offside law in terms of whether or not a player on the fringe of the action was influencing play, and yellow cards.

Keighley pick Powell

Rugby League
DAVE HADFIELD

Daryl Powell, the Keighley Cougars captain, will fly out to join Great Britain tomorrow as the club's new player-coach.

Powell, 31, succeeds his international coach, Phil Larder, whose contract with the Cougars was not renewed late in the season. He will take up his new duties when he returns from New Zealand in November. Powell, a replacement for the injured Paul Hewell, was a record signing for Keighley from Sheffield Eagles two seasons ago.

Dennis Betts, overlooked for the tour captaincy, has predicted that his former Wigan team-mate, Andy Farrell, will hold the job for many years to come. Betts, appointed vice-captain to Farrell, said: "Andy has shown that he can do the job and he continues to do everything right he will be in the job for a very, very long time. It's my bad luck that he is only 21."

The future of another tourist, Iestyn Harris, could be resolved with the opening of talks between his club, Warrington, and St Helens.

Saints are trying to persuade Warrington to part with Harris for less than the £1.35m at which he is transfer listed, but the St Helens chief executive, David Howes, has denied that any players have been offered in part-exchange.

Llanelli lure Botica from Orrell

Rugby Union

Llanelli, rather than Orrell, are likely to sign the former All Wales player Botica. Orrell negotiated a two-year deal with Cardiff Rugby League club last March for the services of the 33-year-old stand-off in the union season, and he played in the opening three Courage League games for the First Division club.

However, Llanelli, who failed to sign Warrington's talented Welshman Iestyn Harris in the summer, are believed to have agreed a deal around £25,000 to buy Botica's contract from Cardiff.

The ambitious Welsh club are to offer compensation to Orrell when they meet to resolve the matter today.

Llanelli want Botica to make his debut in Saturday's Welsh League match against Swansea, providing he recovers from a hip injury he picked up in Orrell's home defeat by Leicester.

The Ireland tight-head prop Peter Clohesy, who received a 26-week suspension for stamping on France's Olivier Roumat at the Parc des Princes last February, has signed a contract with the Queensland Rugby Union. Clohesy, who is not expected to play at club level, is to move to Australia early in the New Year after signing a five-month contract believed to be worth £50,000. "I feel that if I did not go, I might subsequently regret it," Clohesy said. "I feel it will do me good to start again in a new environment. It has been hard to be out of the game since last February but I must put that behind me."

The five-month suspension proved costly for Clohesy, who lost his place in Ireland's squad at the end of last season and was ruled out of virtually half the coming campaign. He was banned until December, by which time he would have found it difficult to regain his international place.

Clohesy, who has 16 international caps, had already left Young Munster to switch to

Garryowen for this season, but has now severed his connection with them. He has said, however, that he will return to play in Irish rugby when his Queensland contract ends.

Queensland's John Connolly, who coached the Old Belvedere club in Dublin last season, persuaded Clohesy to move to Australia. Coincidentally, Clohesy was at the centre of controversy when he helped his province, Munster, defeat Australia in Cork in 1992. After the match, he was accused of dirty play by the then Wallaby coach, Bob Dwyer.

The following season, Clohesy was suspended for stamping in a league match.

Blenheim's new order

Equestrianism
GENEVIEVE MURPHY

The Blenheim Horse Trials break new ground this week, by becoming the first three-day event to run the cross-country phase in the reverse order of merit. Mark Phillips has used this formula effectively for the British Open Championship at Gatcombe, where the show jumping phase precedes the cross-country.

At Gatcombe, however, the score needed for victory is known, whereas at Blenheim it will be the score required to hold the lead before the final show jumping. It remains to be seen if this will be quite as gripping.

Mary King, who was first and second in the British Open with King William and King Solomon III, will be riding the latter at Blenheim. The eight-year-old has shown enormous promise but this will be his first test over a three-star cross-country course.

Solomon was due to tackle the Bramham course in June, but was withdrawn after the dressage because of a respiratory infection. Fortunes have since changed for King, whose post-Olympic victories include the Scottish Championship and Burghley Three-Day Event as well as the British Open.

Pippa Funnell, who won at Blenheim last year on Bits and Pieces will be aiming for the double on The Tourmaline Rose.

Spin pair in command for Sri Lankans

Cricket

Rain spared Zimbabwe further humiliation on the opening day of the second Test in Colombo yesterday after being bowled out by Sri Lanka for 141, despite winning the toss. Sri Lanka were 86 for 3 in reply before a third stoppage for rain ended play for the day with 13 overs remaining.

Zimbabwe, beaten by an innings in the first Test, were badly placed at 119 for 2 before off-spinner Muthiah Muralitharan and left-armers Jayanthi Silva engineered a collapse, taking four wickets apiece.

Zimbabwe's captain, Alistair Campbell, started the slide after adding 65 for the third wicket with Grant Flower. Campbell advanced to drive Silva, missed the ball and was stumped by Romesh Kaluwitharana for 36.

Flower's innings of 52 was ended by Muralitharan, who had him caught at slip as the innings folded. Zimbabwe's leg-spinner Paul Strang struck back when Sri Lanka batted, dismissing Samath Jayasuriya for 41 and Aavinda de Silva for 16.

FOOTBALL RESULTS

Yesterday's results
WORLD CUP QUALIFYING GROUP SIX
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Other sports
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SPORTING DIGEST

Baseball
The Cleveland Indians won their second American League Central title on Tuesday night, defeating the Chicago White Sox 9-4, and became the first team to reach the playoffs this year. It is the first time in their 96-year history that the Indians have reached the playoffs in consecutive seasons.

Cricket
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Cycling
The Tour of Spain 11th stage (116 miles, Astoria to Salamanca) was won by the Spanish rider Francisco Ventoso of the Euzko Euzkadi team, who finished in 4:01:44.

Golf
Ben Thring, the defending champion from Denmark, scored a record-breaking 65 to take a three-stroke lead after the first round of the Eulien Open at the Eulien Golf Club in Eulien, Denmark.

Swimming
The 100m freestyle final at the European Championships in Eindhoven was won by the Dutch swimmer Pieter van den Hoogenband in 50:14.

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TODAY'S NUMBER

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Doug Dailey, who has spent 10 years as the British Cycling Federation's national coach, is to stand down. Dailey, 52, the British amateur champion in 1972 and 1976, will not be seeking a renewal of his contract, which ends next month.

